

# DAILY REPORT

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*China*

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SENIOR NONALIGNED OFFICIALS TO DISCUSS KAMPUCHEA

OW161204 Beijing XINHUA in English 1100 GMT 16 Feb 83

[Text] United Nations, February 15 (XINHUA) -- The Coordinating Bureau of the non-aligned countries today put the question of Kampuchea's representation in the movement on the agenda of the senior officials' meeting preceding the seventh non-aligned summit. The decision was made at the request of Singapore which, together with many other member states, insists on the restoration of the seat of Democratic Kampuchea in the movement.

Democratic Kampuchea was unseated at the 1979 summit by Cuba which as host of the conference, maneuvered to make Kampuchea's seat vacant, to the strong protest of the majority of non-aligned countries. Cuba is one of the few non-aligned countries which recognized the Heng Samrin government installed in Phnom Penh by Vietnam following the Soviet-backed Vietnamese military invasion.

The senior officials' meeting is scheduled to take place in New Delhi on March 1 and 2, to be followed by a foreign ministers' conference and then by the summit.

At the same time, the Coordinating Bureau meeting cleared the requests of the Bahamas, Barbados and Colombia to be full members of the movement, diplomats here said. The meeting also cleared applications by Papua New Guinea and Antigua and Barbuda for observers' status and by the Dominican Republic for guest. At present, the movement has 97 full members, 18 observers and 24 guests.

BRITISH, FRENCH REJECTION OF USSR ARMS PLAN VIEWED

HK170546 Beijing RENMIN RIBAO in Chinese 16 Feb 83 p 7

["News Analysis" article by Zheng Yuanyuan [6774 0954 0954]: "Why Do Britain and France Reject the Soviet Proposal"]

[Text] The Soviet Union put forward a "new proposal" in the U.S.-Soviet talks on limiting medium-range nuclear weapons, indicating that it is ready to reduce to 162 the number of its medium-range missiles deployed in Europe — the number of missiles deployed by Britain and France -- if the United States will give up its plan to deploy new missiles in Europe. The Soviet Union asserted that the nuclear force controlled by Britain and France "constitutes an inseparable part of the balance of military forces in Europe" and "is related to NATO's potential." "It is directed at the Soviet Union and its allies." Therefore, these factors should not be neglected in the talks.

The British and French Governments both rapidly issued responses to the Soviet proposal. On the same day last December when the Soviet leadership made its proposal, Mrs. Thatcher explicitly pointed out: The British nuclear force "should not be involved in the Geneva talks." President Mitterrand also stated: The U.S.-Soviet Geneva talks have no relation to France, and France "will not reduce a single missile of its own." The reason Britain and France took such a strong attitude is because they are striving to maintain their independent nuclear deterrent.

Among West European countries in NATO, only Britain and France possess nuclear weapons. Their missiles are based mainly on submarines. Britain now has four nuclear-powered submarines in service, with each carrying 16 Polaris missiles. This submarine squadron was set up in 1963 with the help of the United States. France has five nuclear-powered submarines in service, each carrying 16 M-20 missiles. In addition, France has 18 land-based missiles. Medium-range missiles possessed by both nations total 162.

It is under the circumstances of a changing world balance of forces that Britain and France decided to build their own nuclear deterrent forces and took it as a basic national policy for safeguarding their independent status. The 1964 British national defense white paper said: Under the condition of mutual deterrence by the United States and the Soviet Union, the role of the U.S. "nuclear umbrella" is limited. Therefore, Britain must possess its own deterrent force. As for France, since De Gaulle assumed the presidency for the second time in 1958, an independent nuclear force began to be built and has been seen as an important means of maintaining the power status of France.

De Gaulle asserted that only by possessing its own nuclear force could France be considered an independent nation and be free from a dependent position with the United States. In 1966, France withdrew from NATO, an integrated military organization. After that, it gradually built up a ternary nuclear deterrent force consisting of land-based missiles, submarine-launched missiles and nuclear bombs carried by aircraft. French Governments after De Gaulle all followed this policy. France also regards its nuclear deterrent as one "used by a weak nation to deter a strong power" or "a deterrent used by a weak nation among strong powers." Its objective is to prevent a war.

Another reason Britain and France rejected the Soviet proposal is that, as some Western statesmen pointed out, British and French nuclear forces are of strategic significance. Their "political character is different from those of the two superpowers." Britain and France "will not attack other countries with their nuclear weapons." If Britain and France accept the Soviet proposal and allow their nuclear weapons to be included in the U.S. and NATO nuclear arms system, it means that they will give up their independent nuclear deterrence policy. For this reason, French Prime Minister Mauroy recently made another statement directed at the Soviet proposal, pointing out that no people can "take the French independent defense force as a counter" to any talks not attended by France.

British and French leaders were annoyed with the Soviet Union over the proposal. They criticized the proposal as a "practice of diverting people's attention." In essence, the proposal was designed to conceal and consolidate the Soviet nuclear superiority. If the Soviet proposal is put into effect, NATO would have to give up its missile deployment plan, while the Soviet Union would still have 162 missiles aimed at Western Europe. They also pointed out that British and French missiles are "incomparable" to Soviet missiles. The range and accuracy of the SS-20 missiles far outstrip those of the Polaris missiles and M-20 missiles. Moreover, each SS-20 carries three independently targeted warheads. Thus, the 162 SS-20 missiles can be aimed at 466 targets in Western Europe. However, although some of the British and French missiles can carry multiple warheads, most can only carry a total of 290 warheads and they are not independently targeted.

The Soviet Union so far has not at all changed its attitude toward this issue. It arbitrarily linked its nuclear talks with the United States to the British and French nuclear forces. This has complicated the talks. However, its purpose of taking such an action is self-explanatory.

#### UN RESOLUTIONS CONDEMN USSR, VIETNAM, OTHERS

OWI70240 Beijing XINHUA in English 0226 GMT 17 Feb 83

[Text] Geneva, February 16 (XINHUA) -- The United Nations Human Rights Commission in a resolution adopted today condemned the continued military occupation of Afghanistan by the Soviet Armed Forces.

The resolution on Afghanistan reaffirms the commission's "most profound concern that the people of Afghanistan continue to be denied their right to self-determination and to determine their own form of government and to choose their economic, political and social system free from outside intervention, subversion, coercion or constraint of any kind."

It calls for "a political settlement of the situation in Afghanistan on the basis of the withdrawal of foreign troops and full respect for the independence, sovereignty, territorial integrity and non-aligned status of Afghanistan and strict observance of the principle of non-intervention and non-interference."

A resolution on Kampuchea adopted yesterday points out that the continued occupation of Kampuchea by foreign forces constitutes the primary violation of human rights in Kampuchea at present.

It stresses that "the withdrawal of all foreign forces from Kampuchea, the restoration of Kampuchea's independence, sovereignty and territorial integrity, the recognition of the Kampuchean people's right to self-determination and the commitment by all states to non-interference and non-intervention in the internal affairs of Kampuchea are essential to achieving a just and durable solution to the Kampuchean problem."

The commission yesterday also adopted a number of resolutions condemning Israel's aggressive acts in Lebanon, its violation of human rights in Palestine and other occupied Arab territories as well as South Africa's apartheid policies and its illegal occupation of Namibia.

#### BEIJING REVIEW OUTLINES PRC COOPERATION WITH UN

HK110550 Beijing BEIJING REVIEW in English No 6, 7 Feb 83 pp 19-21

[Article by Bu Zhaomin, director of the Liaison Bureau of International Organizations under the Ministry of Foreign Economic Relations and Trade: "China's Technical Co-operation With the United Nations"]

[Text] Since the restoration of its lawful seat at the United Nations in 1972, China has participated in many UN multilateral technical cooperation activities. Between 1972 and 1978, as a donor nation of the UN development system, China donated funds and technologies to the UN Development Programme (UNDP), the UN Capital Development Fund, the UN Industrial Development Organization (UNIDO) and other organizations. Since 1979, China has implemented the policy of mutual exchange, that is, while donating funds to UN organizations and undertaking their projects, China also receives technical assistance from these organizations. Mutual co-operation has made rapid progress in the last decade.

Entrusted by the United Nations, China has, since 1974, used the funds provided by organizations of the UN development system to impart its technical skills to some developing countries by holding inspection tours, classes, discussion meetings, technical training classes and by dispatching experts. These items include fresh-water fish breeding, biogas, acupuncture, silk-worm breeding, rural comprehensive development, elementary health co-operation, transport and communications, small hydropower stations, diesel engine technology and groundwater exploration. From 1979 to 1981, 1,400 experts, technicians and administrative personnel from developing countries took part in 92 such activities.

Take fresh-water fish breeding for example. In collaboration with the United Nations, China had held eight training classes by 1982, attended by a total of 150 trainees. Upon return to their countries, they have helped their governments build fish spawning and breeding ponds and some have successfully bred fish. Trainees from Sri Lanka have hatched fish fries with good results in their first experiment.

China's biogas technology has been valued in the world because of its local availability, low cost, economic returns and ease of popularization. From 1979 to 1981, under the sponsorship of UN organizations, technicians from more than 50 countries and international organizations came to China for biogas inspection tours. China also held two biogas training classes attended by technicians from nearly 30 countries and regions in the world.

In co-operation with the UN Development Program, China has since 1981 set up seven regional research and training centres for such projects as fresh-water fishery, small hydropower, rural comprehensive development, elementary health co-operation, sericulture, acupuncture and biogas. Trainees from many countries are now being trained in these centres.

The Chinese Government, UN organizations and countries in the Asian and Pacific region are planning to establish training centres of Chinese herbal medicine, the utilization of the forestry resources, small cement factories, pumping equipment and anticorrosion. These centres have played or will play a positive role in introducing China's technologies and experiences to developing countries in the Asian and Pacific and other regions and in enhancing economic and technical co-operation among the developing countries.

China has all along adhered to the principle of independence and self-reliance in its socialist construction while at the same time receiving appropriate assistance and learning advanced technologies from other countries.

Since its acceptance of UN aid, China has received about 230 million US dollars in grants, including those promised from the UN Development Programme, the UN Fund for Population Activities and the UN Children's Fund. These funds have been used for some 200 technical cooperative projects involving industry, agricultural transport and communications, culture, education, public health, population, energy resources, scientific research, children's welfare and infrastructure. More than 30 of these projects have already been completed. Technical assistance from the United Nations has played a supplementary and complementary role in China's economic and technical growth. The larger B-6810 computers and the smaller HP-3000 computers have been effectively used for different purposes.

China bought a set of computers with an appropriation from the United Nations Fund for Population Activities which is being used to compile and analyse data from China's third census of July 1, 1982.

The Chinese Government has attached great importance to these projects. It not only allocated a considerable amount of funds for capital construction, equipment and expenses for training personnel, but has appointed special departments to be responsible for the implementation of these projects. Thus, these projects are making good progress.

In addition, financed by the United Nations, China has trained many specialized personnel by inviting foreign experts to give lectures, consultations and technical guidance, and by sending people abroad to make inspection tours and attend international meeting for training classes, thus deepening their understanding of the development of advanced technology in the world.

In June 1982, the Chinese investment promotion meeting was held in Guangzhou sponsored by the Ministry of Foreign Economic Relations and Trade and the United Nations Industrial Development Organization. Participating in the meeting were over 400 businessmen and personnel in banking industry and commerce from 23 countries and regions. There were talks on the 121 Chinese projects absorbing foreign investment, and letters of intent for 70 projects were signed.

China's participation in UN multilateral economic and technical activities has contributed to enhancing mutual understanding between China and other countries, to expanding economic and technical exchanges and to the training of qualified personnel. This positive co-operation, based on equality and respect for sovereignty, has bright prospects for the future.

USSR DEPUTY FOREIGN MINISTER DIES 16 FEB

OW161723 Beijing XINHUA in English 1509 GMT 16 Feb 83

[Text] Moscow, February 15 (XINHUA) -- Nikolay Pavlovich Firyubin, deputy foreign minister of the Soviet Union, has died at the age of 75, reported TASS today. Firyubin became deputy foreign minister in 1957. In 1966, he was also appointed as general secretary of the Political Consultative Committee of the Warsaw Treaty member states, a post which he held till his death.

BEIJING REVIEWS PRC-USSR SPORTS EXCHANGES

OW120002 [Editorial Report] Beijing in Russian to the USSR at 1800 GMT on 26 January in its regular 60-minute news and features program carries a review of PRC-USSR sports ties in 1982 prepared by (Qin Feng). The item notes that in 1982 "China and the Soviet Union sent their sportsmen to a number of multilateral international competitions which were held in these two countries." The program reports on the participation and successes of Chinese sportsmen at the biathlon competition held in Minsk in February, at the gymnastics competition held in Moscow and Riga in late March and early April, at the Tbilisi chess tournament for women, and on the visit of Soviet athletes to the PRC in June, "for the first time in 16 years." The participation of Soviet marathon runners in a competition in Beijing in September is also noted. The names of both Chinese and Soviet athletes and trainers are mentioned.

Following this wrap-up the announcer says: "Last year's sports contacts between the PRC and USSR had the following features: First of all the sportsmen of both countries were heartily and warmly met." The activities of sports teams during leisure hours were then outlined. "Second, last year's sports contacts strengthened the friendship between sportsmen and physical culture and sports officials of China and the Soviet Union." The program goes on to mention reunions of sporting friends who knew each other in the fifties. The item notes that another feature of the visits was the warm and friendly attitude of spectators at competitions in both countries. In conclusion the good prospects for further development of friendly sports ties between the two countries is noted.

RENMIN RIBAO ON USSR AGROINDUSTRIAL COMPLEXES

HK101117 Beijing RENMIN RIBAO in Chinese 9 Feb 83 p 7

[Article by Yan Zheng [0917 2973]: "USSR Accelerates Pace of Agroindustrial Integration"]

[Text] By the end of last year, the Soviet Union had issued two regulations, that is, the "exemplary regulations for areas' agroindustrial integrated complexes" and the "exemplary regulations for regional, territorial and autonomous republics' agroindustrial integrated complexes," which stipulated in detail the purpose of setting up an area- and regional-level agroindustrial integrated complex as well as its organization, leadership, main tasks, rights and duty. Prior to this, the CPSU Central Committee and the Council of Ministers specially adopted a resolution, which demanded the popularization of the establishment of the two levels of agroindustrial integrated complexes in the Soviet Union and to establish committees concerning the issue of agroindustrial integrated bodies in the constituent republic and government level to coordinate with specific matters concerning agroindustrial integration. In addition, it was also stipulated that during the 11th 5-Year Plan, the Soviet Union will use 1/3 of its total investment in developing the cause of agroindustrial integration.

According to explanations made by the Soviet Union, agroindustrial integration refers to the organic combination of agricultural enterprises with industry, transportation, storage, commerce, agricultural and technical services and other economic departments related to agriculture in the respect of production, economy and organization, so as to enable the gradual industrialization of agricultural production.

At the end of 1920's and early 1930's, the Soviet Union attempted to set up agro-industrial integrated complexes, but they failed to do so. Since the mid-1960's, along with the strengthening of the material and technical basis of agriculture and the development of processing industry of agricultural products and providing agriculture with the means of production, the Soviet Union started to set up agro-industrial integrated complexes. By the 1970's, agroindustrial integrated complexes had developed within a certain range, but their quantity and scale was still limited. By 1980, the meat produced by the agroindustrial integrated complexes was only 11 percent of the meat output of the economic department of the entire Soviet Union and fodder was approximately 15 percent of the country's output.

At present, why is the Soviet Union so eager to specially accelerate its pace of agroindustrial integration and to expend a large amount of capital and adopt effective administrative means to promote it?

As is known to all, since implementing the modern agricultural policy formulated in 1965, the Soviet Union has scored certain achievements in agriculture. However, foodstuffs and fodder are still in short supply. Particularly in the past 4 years, bad harvests were reported for successive years and the rate of production increase continued to drop, both in agricultural output value and in agricultural crop output, such as grain and so on, there was a relatively wide gap with the planned quotas. The government officials and economists of the Soviet Union held that in addition to the main reason of natural disaster, "the relations of production were not transformed correspondingly with the energetic reform of the productive forces." At present, the organization work of agricultural production was in disorder, "the management systems were overstaffed and separated from each other, and the number of people in the management organs increased for no reason," "there were too many restrictions and fetters in the activities of rural villages and farms," "the leadership adopting economic means" "were infringed upon" and so on. In order to eliminate these disadvantages, the Soviet Union attempted to set up agroindustrial integrated complexes at the area and regional levels, perfect their economic structure and raise the management of agriculture and other concerned departments to a "new stage," so as to realize the "Food Program" adopted by the CPSU Central Committee that aimed at ensuring the supply of foodstuffs to the inhabitants of the whole country.

In accordance with the "exemplary regulations," the agroindustrial integrated complex of the areas should be composed of farms, villages and enterprise units related to agricultural production, whereas the agroindustrial integrated complex of the regions, territories and autonomous republics should be composed of the area's agroindustrial integrated complex and organizations at the regional, territorial and autonomous republic levels related to agricultural production, and enterprise units under their jurisdiction. Their highest management organ is the committee of the intergrated complex, which is composed respectively of the concerned leaders of the soviet executive committee at the same level and responsible persons and social representatives of the various enterprise units who have joined the integrated complex. In the various economic activities, including cadres, labor, wages and other aspects, the integrated complex plays the role of cooperation, supervision and offering suggestions to the enterprise units under its leadership. Moreover, the integrated complex can also collect a certain amount of funds to apply for material incentives, social cultural facilities, housing construction and so on.

The government officials and economists of the Soviet Union once claimed that the agroindustrial integrated complex was "an advanced method" to "carry out social reform in rural areas," and considered that it had many characteristics: it strengthened the relations between the various production units and organizations, "the common economic interest enabled the producer and processor of agricultural products and all the units that serve agriculture and have common concern for the final results of agricultural production," made contributions to this work, and avoided the losses made to agricultural products, transportation and marketing.

In management, it combined economic methods with administrative methods, the system of one-man leadership with the system of committee leadership, local management with departmental management, and eliminated parallel and overlapping practices in management, "reduced administrative levels, simplified management, economized of expenditure and gave experts the time to directly engage in production." Moreover, according to the periodical and newspaper reports of the Soviet Union, the agroindustrial integrated complex paid much attention to recruiting people who were well educated, had professional knowledge and were active to become leaders; among them 60 percent were new. Those specific management organs under the agroindustrial integrated complex were also further "led by experts who were professionally competent and had rich experience." In order to connect all the people with the increase of the final products, the agroindustrial integrated complex adopted the labor organization method of contract teams and the system of contract and labor reward on the basis of individual interest, and encouraged the development of individual sideline occupation on the basis of signing contracts. The villages and farms transferred the publicly owned livestock and scattered small pieces of land to agricultural laborers to raise and farm, while in return the agricultural laborers sold their products to the villages and farms according to the state purchase price. The purpose of all these methods was to arouse the initiative of the laborers. It seems that the Soviet Union places great hopes on the development of the agroindustrial integrated complex. We can expect to see their results only in the experience of the days to come.

XINHUA CITES USSR OFFICIAL ON GRAIN PRODUCTION

OW140436 Beijing XINHUA in English 1120 GMT 11 Feb 83

[Text] Moscow, February 10 (XINHUA) -- A high ranking Soviet official today urged an increase in the production of grain and fodder for animal feed. Mikhail Gorbachev, member of the party Central Committee Secretariat in charge of agricultural work, wrote in PRAVDA that the Soviet Union is still short of grain for animals and the supply of rice and beans is not guaranteed. He called for an ample supply of fodder for animal feed in 1983.

He stressed the need to improve agricultural management, reduce the staff and offer more investment for agricultural development. He complained that investment used for improving the quality of soil did not yield effective results.

Introduction of advanced forms of labor organization is going too slow and some people in agricultural departments are still trying to maintain the old order, he said.

NAKASONE SAYS JAPAN-PRC RELATIONS 'UNSHAKABLE'

0W161730 Beijing XINHUA in English 1515 GMT 16 Feb 83

[Text] Tokyo, February 16 (XINHUA) -- Japanese Prime Minister Yasuhiro Nakasone said here today that his country's relations with China are unshakable and his government's China policy remains the same.

Meeting Susumu Nikaido, secretary-general of the Japanese Liberal Democratic Party, who is to visit China on February 18, Nakasone said: "Japanese-Chinese relations are important both to Japan and Asia as a whole." "The friendship and good-neighborliness between the two countries have not changed," he added. He described China as "an important neighbor" and declared that his country will further develop friendly relations and cooperation with China. He hoped that Nikaido will convey his goodwill to the Chinese.

JAPANESE-ASSISTED DAQING PROJECT CANCELED

0W160341 Tokyo KYODO in English 0316 GMT 16 Feb 83

[Text] Tokyo, Feb 16 KYODO -- China has cancelled a plan to build an ethylene glycol plant at Daqing with the help of Japanese firms, industry sources said Wednesday. The Chinese Government has told Japanese consortia of plant builders and trading companies that the deal has been scrapped for "transportation and other problems," they said.

Initial planning called for construction of 60,000-ton-a-year ethylene glycol plant at Daqing petrochemical complex. In response to a Chinese inquiry last fall, five Japanese groups had submitted estimates on the deal, bracing for negotiations on details of the contract. The deal is estimated at some yen 6 billion (dollar 26 million).

Damage caused by the cancellation of the Japanese companies is minimal, confined largely to costs of preparing the estimates, the sources said. But the sudden Chinese move has taken the Japanese by surprise, dashing hope China would revive major plant construction projects, following completion of economic priority adjustments. The plant, in fact, was billed in the Japanese industry as a harbinger of such a revival.

The inquiry came along with another for construction of an ethylene glycol plant and a polypropylene plant at the Nanjing petrochemical complex. Negotiations on this deal are underway in Beijing.

In the fall of 1981, the Japanese Government pledged yen 300 billion (now roughly dollars 1.3 million) in credits to help finance Chinese plant construction projects. Some Japanese industry insiders intimated that China may be having second thoughts about building the plant at Daqing.

SRV COMMITS BORDER PROVOCATIONS 13, 14 FEB

OW161126 Beijing XINHUA in English 1118 GMT 16 Feb 83

[Text] Beijing, February 16 (XINHUA) -- Vietnamese troops conducted provocations against Chinese border areas in Guangxi and Yunnan during the Chinese Spring Festival, wounding one Chinese civilian.

At 0100 hour on February 13 (the first day of the Lunar New Year), Vietnamese troops fired more than 70 rifle shots at Chinese villages in Fangmashao of Hekou Autonomous County of Yao nationality, Yunnan. At 13:00 hours the same day, Vietnamese troops fired at Hekou Town with submachine guns. From 13:00 to 16:00 hours on February 13, Vietnamese troops fired on three occasions more than 120 rifle shots at Koulinshan area of Malipo County, Yunnan.

At 10:00 hours on February 14 when militiamen of the Pingmeng commune of Napo County in Guangxi Zhuang Autonomous Region were patrolling on this side of the border, one of them was wounded by a mine laid by Vietnamese troops who had intruded into the Chinese territory.

SON SANN CALLS SRV OCCUPATION OF PRK UNACCEPTABLE

OW161738 Beijing XINHUA in English 1459 GMT 16 Feb 83

[Text] Paris, February 15 (XINHUA) -- Son Sann, prime minister of the Coalition Government of Democratic Kampuchea, today demanded the total withdrawal of Vietnamese troops from Kampuchea and ruled out any settlement that fails to comply with relevant United Nations resolutions.

Speaking at the Paris Institute of Superior Studies on National Defense, Son Sann rejected the idea of negotiating with the Vietnam-backed Heng Samrin regime. He said: "To negotiate with Heng Samrin means to recognize him. This means to recognize the friendship treaty he has signed with Hanoi, and to recognize the de facto occupation of Kampuchea." Such negotiation, Son Sann said, could only lead to an "Indochinese federation ruled by Hanoi." "We cannot accept this, nor can the Kampuchean people," he said.

The prime minister said: "The occupation of Kampuchea, financed by Moscow, has become a chain that Moscow attaches Vietnam to its hegemonism." In Southeast Asia, "the Soviet aim and those of Hanoi are convergent," he noted.

CORRESPONDENTS VISIT FORMER SRV HAMLETS IN DK

OW170718 Beijing XINHUA in English 0700 GMT 17 Feb 83

[Feature: "A Visit to Former Vietnamese 'Strategic Hamlets' in Kampuchea by Correspondents Yang Mu, Yan Ming" -- XINHUA headline]

[Text] Bangkok, February 17 (XINHUA) -- A mountain village surrounded by a two-meter-high wall of barbed wooden spikes, where Vietnamese guards used to examine "passes" of villagers at the only three entrances -- this is one of the former Vietnamese "strategic hamlets" we have seen in Kampuchea recently. The village with a population of 230 people is situated on the top of Koulen Mountain. During the Vietnamese occupation of the village from August 1980 to 1982, 24 villagers were killed by the invaders.

The Vietnamese troops did not allow the villagers to leave the village without their permission, a 64-year-old woman told us. Her daughter was killed by Vietnamese mines when she was trying to steal out of the village to pick litchi, she said with tears in her eyes. A half-paralyzed man of over 80 said his son was beaten to death by Vietnamese guards on the charge of hiding guns.

"The Vietnamese troops often forced me to draft villagers into their army," said the head of the village. "When I refused they injected poison into my body. That is why my left hand and right foot are paralyzed."

We visited another village which was formerly a Vietnamese "strategic hamlet." The villagers there suffered a lot during the Vietnamese occupation.

In the latter half of 1980 when the National Army of Democratic Kampuchea entered the interior parts of the country, the Vietnamese took shelter in villagers' houses from attacks by the Democratic Kampuchean National Army. The Vietnamese troops dug trenches and shelters in the courtyards and blocked village roads. They imposed a curfew from 7 p.m. to 6 a.m. Most villagers did not leave the village for three or four years because the Vietnamese troops were stationed there. The villagers said the Kampuchean people will smash all the "strategic hamlets" someday.

#### VODK REPORTS DK LIBERATION OF THREE VILLAGES

OW170258 Beijing XINHUA in English 0235 GMT 17 Feb 83

[Text] Beijing, February 17 (XINHUA) -- The Democratic Kampuchean National Army and guerrilla forces launched attacks on the Vietnamese occupation troops in three villages in Siem Reap District and liberated the villages on February 3, according to Radio Democratic Kampuchea today.

The three villages including Dong are now under the control of the Democratic Kampuchean guerrilla forces. Four villages including Samaki in Rovieng District and Champaok Kong village in Koulen District and Chrach village in Chhep District, both in Preah Vihear Province, were liberated by the Democratic Kampuchean National Army on January 23, 30 and February 11 respectively.

#### BANGLADESH FOREIGN MINISTER VISITS INDONESIA

OW161208 Beijing XINHUA in English 1130 GMT 16 Feb 83

[Text] Beijing, February 16 (XINHUA) -- Bangladesh and Indonesia hold that foreign troops should be withdrawn from Afghanistan and Kampuchea, said Bangladesh Foreign Minister Aminur Rahman Doha after his meeting with Indonesian President Suharto in Jakarta yesterday, according to reports from there. During the meeting, they discussed bilateral relations and international matters including the forthcoming non-aligned summit conference in New Delhi. The Bangladesh foreign minister said his country would like to learn from Indonesia's experience in the use of natural resources, especially natural gas. The Bangladesh foreign minister arrived in Jakarta on February 14 for a two-day visit to Indonesia.

#### ENVOY TO VANUATU PRESENTS CREDENTIALS 17 FEB

OW170730 Beijing XINHUA in English 0711 GMT 17 Feb 83

[Text] Beijing, February 17 (XINHUA) -- Chinese Ambassador to the Republic of Vanuatu Shen Zhiwei this morning presented his credentials to President Ati George Sokomanu, according to a report from Port Vila. After receiving the credentials, President Sokomanu had a cordial and friendly conversation with the Chinese ambassador.

PLO CONFERENCE CONTINUES WORK IN ALGIERS

## PNC Leader Meets Press

OW170904 Beijing XINHHA in English 0811 GMT 17 Feb 83

[Text] Algiers, February 16 (XINHUA) -- Khalid al-Fahum, president of the Palestine National Council [PNC], today called for the establishment of a Palestinian state in the Israeli occupied West Bank and Gaza Strip with Jerusalem as its capital. At a press conference held here during the third day of the 16th session of the Palestine National Council, Al-Fahum said that "this state will be in Gaza and the West Bank with Jerusalem as its capital."

This was the first time a Palestinian leader has publicly defined with precision the territorial limits of the independent state the Palestine Liberation Organization seeks. "We accept international guarantees of all states in the region," Al-Fahum said, adding that "we don't want to destroy anyone or any nation. We don't want to throw anyone into the sea, but we don't want to be driven into the desert."

He also called upon the United States to put pressure on Israel to prevent it from setting up new settlements in the occupied West Bank and Gaza Strip.

But Al-Fahum rejected U.S. President Reagan's Middle East peace plan. "The Reagan plan completely ignores the legitimate rights of the Palestinians," he said. "It says no to Palestinian self-determination...no to our right to identity and independent state."

Al-Fahum warned that "we will never give up our military option." The Palestinian people are determined to keep fighting for an independent state, he added.

## PRC Delegate's Address

OW161316 Beijing XINHUA in English 1123 GMT 16 Feb 83

[Text] Algiers, February 15 (XINHUA) -- Xu Wenyi, chairman of the Chinese delegation, today warmly greeted the convening of the 16th session of the Palestine National Council [PNC]. Xu Wenyi said: "The session is of great significance because it is convened at a time when the Palestinian people's struggle enters a new stage."

He said that for a long time, the Palestinian people, under the leadership of the Palestine Liberation Organization, have waged an arduous struggle for return to homeland, for self-determination and for establishing a country of their own. Especially last year, he said, the Palestinian people under extremely difficult circumstances persisted in three-month fighting against Israeli troops in Lebanon and defeated Israel's scheme to wipe out the Palestinian armed forces and abolish the national rights of the Palestinians.

He said: "The Chinese government and people have all along sympathized with and supported the just struggle of the Palestinian people." He recalled that Chinese Premier Zhao Ziyang reaffirmed this stand when he met Yasir 'Arafat in Algiers on his African tour not long ago.

Xu Wenyi strongly condemned Israel for pursuing a policy of aggression and expansion with the partiality and support of the United States.

He said: "The crux of the Middle East problem is the issue of Palestine. Lasting peace and stability can not be achieved without a just solution of the Palestine problem."

In order to obtain as early as possible a just and complete solution of the Middle East problem, Xu Wenyi said, Israel must withdraw from the Arab territories occupied by it in 1967; the national rights of the Palestinian people including the right to return to their homeland, the right to self-determination and the right to establish a state of their own, must be restored; and the Palestine Liberation Organization as the sole and legitimate representative of the Palestinian people should take part in seeking a solution for the Middle East problem.

He expressed his conviction that the Palestinian people will surely overcome difficulties and obstacles and realize their lofty aim through strengthening their internal unity and unity with Arab countries and all the justice-upholding countries and peoples and by adhering to protracted struggle and pursuing correct strategy and tactics.

#### RENMIN RIBAO COMMENTS ON SHARON'S RESIGNATION

HK170311 Beijing RENMIN RIBAO in Chinese 16 Feb 83 p 6

[Commentary by RENMIN RIBAO reporter Chen Jichang [7115 4480 2490]: "Begin Government's Political Game of Changing Horses"]

[Text] On 23 February, the Begin government held a Cabinet meeting which passed the resolutions that Sharon resign from the post of defense minister and that he remain in the government as minister without portfolio. The next day, the Israeli Knesset approved this decision by the Cabinet meeting by a vote of 61 to 56, with 1 abstention. After Sharon had resigned, Begin temporarily held the post of defense minister. Later, Arens, the present ambassador to the United States, would take over the post. At last, Begin had completed the political game of changing horses.

Sharon did not desire to resign and Begin did not intend him to do so either. In fact, this was the game of abandoning the chariot in order to keep the commander in chief, which Begin was forced by the situation to play.

On 8 February, the Israeli commission of inquiry into the Beirut massacre published a report concerning the massacre in the Beirut refugee camps. Even though this report has covered up most of the facts about the massacre and it tries very hard to absolve the Begin government from guilt, it does admit that Begin and Sharon and others "bear responsibility" for the massacre and suggests that Sharon, the defense minister, resign. After the inquiry report was published, Sharon was furious. He solemnly expressed that he did not accept the conclusion of the report and refused to resign. According to reports, at the previous two special Cabinet meetings, Begin was against Sharon's resignation. However, the report on the inquiry has stirred up a tremendous political tempest in Israel. This was something that Begin and Sharon had not expected. Israeli public opinion generally demanded that Begin's government respect the decisions of the report. The tide of demanding that Sharon resign swept across Israel. In Israeli political circles, there were controversies and confusion. Some people supported the report, some were against it, some were neutral and some shouted abuse in the street. The focus of the controversy was on the issue concerning Sharon's resignation. Inside the Likud clique, which occupies the ruling position, people who supported Sharon held that he had faithfully enforced the policies of Begin's government and that it was unreasonable to let him resign, while the majority held that if they let Sharon resign they could control the pressure of public opinion and that this would help Begin's government remain in power. Inside Begin's government, most ministers demanded that the suggestions made by the report be implemented and that Sharon resign. Led by the Labor alliance, the opposition parties not only demanded that Sharon resign but that Begin resign too. The Labor alliance thought that if both Sharon and Begin resigned, the position of the Likud clique would be weakened and that this paved the way for Labor to rise to power. However, the Labor alliance did not want Begin's government to resign immediately because if they did so, the general election would be held before the due date. The Labor alliance felt that they did not have full assurance of success if the general election was held at that time and that the conditions were unfavorable.

At the same time, both Israel's rightist and its leftist organizations independently held demonstrations. Antagonism between both sides was strong and the situation was explosive. On 10 February a ruffian threw a grenade at the demonstrators outside the prime minister's office. Israeli newspapers cried out in alarm that Israel "is on the verge of civil war" and "submerged in a tide of political violence."

Under such conditions, if Begin's government obstinately clung to its course, it would create a more violent political storm and draw fire against itself. Thus, Begin had to change his mind and consent to Sharon's resignation. However, he let him remain in the government as minister without portfolio. In this way, he could appease Sharon and remain in power in the government. In addition, he could handle the political crisis at that time. He killed two birds with one stone. The communique on the decisions made by Begin's government says that the defense minister's resignation "does not mean that he wants to get away from executing the suggestions made by the commission." This is precisely the penetrating remark which has laid bare the calculations of Begin's government.

Of course, the policies of Begin's government will not be affected by replacing the defense minister. As soon as the news of Sharon's resignation was announced, Begin claimed that Israel would persist in implementing the policy of building settlements along the West Bank and the expansionist-aggressive policy of opposing to the founding of a Palestinian state. Israeli newspapers pointed out that the fact that Sharon remains in the government shows that he will continue to play an important role in the policies of Begin's government. Western newspapers reported that Arens, the new defense minister who is to replace Sharon, is Begin's "trusted follower," "one of his most resolute supporters" and a famous hawk. Not long ago, he expressed that "Sharon's resignation does not imply a change in the policy of the Israeli Government."

Sharon's resignation cannot clear Begin's government of the barbarous crime committed in the massacre in the refugee camp in Beirut. Facts exposed have proven that Begin's government was the planner, creator and the chief criminal of this incident. Begin's government vainly attempted to deceive public opinion and save the tottering political situation with the trick of changing horses. In the end, the results are just the opposite to what they wished. So far the political crisis has not yet been removed. Through this incident, the Israeli people will thoroughly understand that the aggressive and expansionist foreign policy of Begin's government will bring them disastrous results.

#### CAMPARISON OF ZHAO MESSAGE TO PLO CONFERENCE

Beijing RENMIN RIBAO in Chinese on 16 February publishes on page 1 a message from Zhao Ziyang to the Palestine National Council. The RENMIN RIBAO version has been compared with the XINHUA English version published in the 15 February China DAILY REPORT, page I 1, and the following variation has been noted:

The RENMIN RIBAO version begins:

Beijing, February 15 (XINHUA) -- Zhao Ziyang, premier of the PRC State Council, sent a telegram on 13 February to 'Arafat, chairman of the PLO Executive Committee, to be passed on to the Palestine National Council, extending warm congratulations on its 16th session. The message reads as follows:

On the occasion of the opening of the 16th session of the Palestine National Council, I wish, on behalf of the Chinese Government and people, to extend warm congratulations and high respect to the heroic Palestinian people and fighters.

The emergence and...(picking up paragraph 2, line 1; supplying variant, additional passages)

ZHONGGUO XINWEN SHE RECAPS BEIJING NEW YEAR FETE

HK161520 Beijing ZHONGGUO XINWEN SHE in Chinese 0313 GMT 15 Feb 83

[Article by reporter Shuang Yin [7175 0603]: "Time and Things Wait for No Man"]

[Text] Beijing, 15 Feb (ZHONGGUO XINWEN SHE) -- "Firecrackers ring out the old year and Spring Festival couplets bring a fresh start to myriads of households." On the Lunar New Year's day of Spring Festival Beijing, as tradition goes, held a grand Spring Festival gathering of 4,500 people in the banquet room in the Great Hall of the People. With a cup of tea in hand, people talked much about the work of reform.

#### Resolutely Carry Out Reform in a Planned Way

At the gathering, on behalf of the CPC Central Committee and the State Council, Premier Zhao Ziyang conveyed festival greetings to the people of all nationalities, compatriots in Taiwan, Hong Kong and Macao and overseas Chinese abroad. In his message of congratulations he spoke much about reforms. He said: "We must speed up reforms in economic and other areas, proceeding from realities. They must be carried out systematically, resolutely and in a planned way under the leadership at all levels. Through experiments in selected spots, reforms will be carried out stage by stage and in an orderly way."

In such a large banquet room with more than 4,000 people it was really difficult to find someone. Yet, in a corner of the room, this reporter at last found Fang Weizhong, deputy director of the State Planning Commission, who was consulting with his colleague on an urgent reform matter.

When asked about plans for this year, Fang Weizhong said: The economic situation last year was good but economic results were not satisfactory. Therefore in 1983 it is still necessary to improve economic results while maintaining a certain economic growth rate. To this end we must, as pointed out by Premier Zhao, carry out reforms in enterprises step by step and in an all-round and systematical way.

Speaking of reforms to the planned system, he pointed out that China must follow the guideline of bringing into play the supplementary, regulatory role of market in the planned economy. The state must directly control the production plans of large enterprises related to the national economy and the people's livelihood, while indirectly guiding the production of other enterprises according to state plans with the aid of economic levers. In addition the state gives a free hand to small businesses. Their production is determined by market mechanism, and the prices of their products float freely.

He also pointed out: The present situation is good but we must remain soberminded. In no way should we unduly emphasize growth rate and blindly expand the scale of capital construction. Anyway, we must inspire enthusiasm, be practical and realistic and advance in an orderly way so as to make the good situation much better.

#### The Waves Behind Drive Those Before

On the stage the dialogue of "Xiao He Running After Han Xin in the Moon," played by actors Hou Baolin and Hou Yaowen, occasionally evoked peals of laughter among the audience. At one moment this reporter noticed a burst of laughter from China's "father of the atom bomb" -- Professor Wang Xianchang, who still seems in fine spirits.

When this reporter went up to Professor Wang and asked him to comment on China's first nuclear power station, he consented with a smile and said: "Let me introduce you to a new friend," immediately pointing to a person sitting beside him -- Jiang Xinxiang, vice minister of nuclear industry.

Jiang Xinxiang, 53 years old, worked in a factory after he graduated from the mechanical department of Nankai University in Tianjin in 1952. In 1958 he was transferred to a nuclear fuel refinery under the Second Ministry of Machine Building. He was promoted to the post of vice minister of nuclear industry in 1982 during the time of structural reform.

Speaking about the use of the nuclear industry for peaceful purposes in China, he said he was sorry that China had lost many chances in this area of work. Early in 1970 Premier Zhou Enlai ordered that the Second Ministry of Machine Building not be turned into a "ministry for explosion." Yet we still failed to advance the peaceful utilization of nuclear energy to a certain stage.

Then Vice Minister Jiang said confidently: We are now placing emphasis on two aspects in the peaceful use of nuclear energy: First is the building of nuclear power stations. It is planned that total generation by nuclear power stations will reach 5 million kilowatts by the end of this century, while generating plants for an additional 5 million kilowatts will be under construction. The first-phased project of the first China-designed nuclear power station with an aggregate capacity of generating 300,000 kilowatts of electricity is making good progress. Workers at the power station have already moved into construction sites and will start working soon. Second, is the promoting of the application of isotopes. China set up an isotope company last year. Beijing, Tianjin, Henan Province, Guangdong Province and Heilongjiang Province will separately establish bases for popularizing the application of isotopes.

#### Ready at All Times To Go to Taiwan

At the gathering this reporter also came across China's well-known sociologist Fei Xiaotong and had a chat with him. He revealed that he will be the guest of the Chinese University of Hong Kong at a seminar on the modernization of China's culture which will be held in Hong Kong in early March, with the participation of scholars from Taiwan Province and many countries in the world. He said he will meet many old friends there. In an article published in the Taiwan evening paper TZU LI WAN PAO on 12 January 1982, psychology professor Yang Kuo-shu of Taiwan University pointed out that the Taiwan authorities should permit Fei Xiaotong to pay a private visit to Taiwan. Professor Yang will also attend the aforementioned seminar. When the time comes, scholars from the mainland will be able to exchange views freely with Professor Yang and other friends from Taiwan. Professor Fei Xiaotong said that if the Taiwan authorities give him permission, he is ready at any time to go to Taiwan to conduct a survey.

Professor Fei also said that he has no plans to give lectures abroad this year, with the exception of attending the seminar in Hong Kong. When the spring comes, he said, "I will pay a sixth visit to Jiang village to conduct an investigation." Jiang village -- which is now called Xian Gong village -- in Wu County, Jiangsu Province, is Professor Fei's native home. More than 40 years ago Professor Fei wrote a book -- "Economy in Jiang Village." For this book he was awarded the Thomas Henry Huxley Medal issued by the British Royal Anthropology Society in November 1981. Now in Jiang village, a sociological investigation center has been established by the China Academy of Social Sciences. Professor Fei intends to finish the sequel to his book -- "Economy in Jiang Village" -- by 1986, the 50th anniversary of the book's publication.

RENMIN RIBAO COMMENTATOR'S NEW YEAR GREETINGS

HK160427 Beijing RENMIN RIBAO in Chinese 13 Feb 83 p 1

[Commentator's article: "Gongxi Fa'Cai' [2088]" ]

[Text] During the lunar new year holiday in the old days, people used to greet each other with "Gongxi Facai." [congratulations make money] Times and social traditions have changed. This greeting has not been used for years. This year, at the occasion of "the new start of the year when everything looks fresh and cheerful," it would be quite appropriate to change this greeting into "Gongxi Fa'Cai" [congratulations develop "talent"] to greet the new year.

By wishing that more "talent" can be tapped, we mean to further discover, train and use talented people from the beginning of the new year and bring the role of all kinds of talents in building socialist modernization into full play. At the same time, as everyone has become one year older, we hope that ability will be enhanced and that people will constantly raise political and educational levels, master more professional knowledge and become qualified people who have both ability and political integrity.

At a forum held at the eve of the Spring Festival Comrade Bo Yibo, vice-chairman of the CPC Central Advisory Commission said: "What do we rely on to quadruple the total output value of industry and agriculture by the end of this century? We rely first on the construction of major projects and then on technical progress. In both these respects we need talented people who understand modern operation and management and who have mastered scientific and technological knowledge. If we do not have such talented people on various fronts it will be impossible to quadruple our output value. This is well said; we cannot build modernization without material wealth. We can only work within the permitted limit of our financial and material force. However, in order to achieve the greatest economic results from the same amount of financial and material force we must rely on scientific progress, technical transformation, operation and management, and rely on all kinds of talented people from various trades and professions to "cross the sea like the Eight Immortals, each one showing his or her special prowess." The results brought forth by giving full play to the role of "talent" are immeasurable.

One of the signs that mark the favorable situation in our country is that we are now overcoming the practice of regarding "wealth" as superior to "talent" which prevailed in the past. It has become a new social custom to discover, take care of, train and properly used talented people. It has also become a popular subject of talk to attach great importance to science, education and culture although there are obstructions and troubles of all kinds. The attitude toward knowledge and intellectuals of "getting rid of the old to make way for the new" has now begun. This is a great reform. There are winged steeds galloping everywhere in the vast territory of our country. Winged steeds are indeed important, but it is more important to have experts who can appraise them. It is the bounden duty of contemporary experts, who can judge people, to eliminate the old defects in evaluating talented people. Provided talented people come forth in large numbers, there will be great prospects for our cause.

The Spring Festival of 1983 has occurred in the course of reform. Talented people can be trained and their ability enhanced through reform. Only when we have carried out reform in a firm and orderly way can we recruit "talent" and get "wealth," and bring about a new situation for flourishing "talent."

HONGQI ON 'FROM PATRIOTISM TO COMMUNISM'

HK150254 Beijing XINHUA Domestic Service in Chinese 0859 GMT 14 Feb 83

["HONQI Commentator Expounds on Patriotism" -- XINHUA headline]

[Text] Beijing, 14 Feb (XINHUA) -- Issue No. 4 of HONGQI, which is about to be published, carried a commentator's article pointing out: Every Chinese, whether living on the mainland or in Taiwan, Hong Kong, Macao or elsewhere, is faced with this choice: Are you patriotic? The article replies that -- whether in the past, present or future -- as far as people with the most rudimentary moral feelings are concerned the answer can only be in the affirmative.

The commentator's article, entitled "From Patriotism to Communism," concentrates on discussing the relationship between patriotism and communism. The article says that patriotism is a fine tradition and lofty quality of Chinese people of all nationalities. Warm love for the motherland, fierce love of freedom and an abundance of revolutionary tradition run through the entire history of the Chinese nation and have become our national characteristic.

The article goes on to stress that the history of the past 60 years has proven that the CPC holds aloft the banner of patriotism and that its members are the most sincere, staunch and outstanding patriots. On the social stage in China no political party has made the outstanding contributions to national liberation and enrichment, made the tremendous sacrifices, or won the brilliant achievements that the CPC has.

The article points out that the reason why Chinese communists are such patriots is that they are vanguard fighters of the working class and all their actions originate from the progressive nature of the working class. Communists regard striving for the interests of the broadest sector of the masses as their sole program and have no private interests apart from the interests of the masses.

The article says that communists profoundly understand that they cannot be communists without being patriots. The article holds that although there are many people today with varying degrees of patriotic ideology, they are not necessarily communists.

However, the article points out, we should believe that no matter what their jobs, age, education and backgrounds are, so long as they are truly patriotic there will come a day when they recognize the role played by the communists in China's social development and become friends of communism. We have repeatedly seen instances of this: So long as they advance unswervingly along the path of loyalty to the motherland, after the twists and turns of history they will realize more and more from their personal experiences the truth of communism and eventually become communists themselves. Hence the road from patriotism to communism, which has been traversed by China's communists, is similarly the road that all patriots are now following and will continue to follow.

The article points out that although we uphold the guiding status of communist ideology, we have absolutely no reason at all to demand that everyone immediately become communist or to exclude and look down on patriots of all types who have not yet accepted communist ideology. As a historical path for saving the motherland, communism is the fruit of probing by the Chinese working class. However, as people probed in the past, so now and in the future will people continue to probe and there may be patriots of various types who carry out their probing in a direction not completely at one with communism. All these patriots, including people living under different social systems -- including people in Taiwan, Hong Kong and Macao, overseas Chinese compatriots living abroad and Chinese of foreign nationalities -- can make and indeed have made various contributions to the motherland's prosperity.

Discussing the implication of patriotism today, the article says that patriotism is by no means something abstract. It has different historical contents under different historical conditions. Today patriotism is not only love for the motherland's grand scenery and ancient culture, it also means that one must warmly love the socialist motherland and the people building socialism. The specific contents of patriotism today are, in brief: in international affairs, to oppose hegemonism and preserve world peace; to accomplish the reunification of the motherland; and to promote the four modernizations drive. These should also be regarded as the hallmarks for determining whether a person takes a patriotic stand or not.

HONGQI SAYS REFORMS SHOULD BE EXPERIMENTAL

HK120932 Beijing ZHONGGUO XINWEN SHE in Chinese 1340 GMT 11 Feb 83

[Text] Beijing, 11 Feb (ZHONGGUO XINWEN SHE) -- An article published in Issue No 4 of HONGQI, a theoretical journal of the CPC Central Committee, says: Reforms of systems should, first of all, be carried out on an experimental basis. Only through experiments can we popularize the reforms stage by stage and area by area. In no way should we do the work in a rush and demand "uniformity in everything." The progress of reforms might be slower because of experimental work; however, if we disregard experiments for the sake of speed, we will have to start all over again if results of the reforms are undesirable. Comparing these two methods we realize that we will suffer smaller losses if we employ the first method.

The latest issue of HONGQI publishes the above-mentioned article by Jing Ping [2529 1627] entitled: "Backward Administration and Management Methods Should Be Reformed." The article stresses: Various kinds of administration and management responsibility systems based on contracts conform with China's national conditions and can satisfy the demand of the development of productive force. This is a creation of great significance by the Chinese people in the process of building socialism with Chinese characteristics.

The article adds: Implementation of the responsibility system based on contracts has effected a great breakthrough in the reform of administration and management methods. This success means that we will be able to achieve still greater results in overall reforms. The national economy is an organic whole and its various parts are closely related. Compared with agriculture, we realize that reforms of administration and management methods in industry and commerce are more complicated. In the meantime, reforms are a kind of pioneering work which should be carried out carefully. Therefore, reforms should be promoted in a guided way and step by step. While carrying out their reforms, various units should not pay attention only to their interests. They should consider whether their interests will affect the overall economic situation. Once they have made a correct judgment they should be bold in carrying out their reforms. If they are not sure of success they should not do their work in a rush. It has taken several years to carry out and popularize various responsibility systems in agricultural production. A continuously developing process in practice is also needed in order to promote the reforms of administration and management methods in industry and commerce. We should firmly carry out our reforms in an orderly way and employ appropriate methods in light of local conditions. While carrying out the reforms we should consider whether our work will be beneficial to the building of socialism with Chinese characteristics, to the prosperity and development of our country, and to the well-being and happiness of the people. All this should be taken as our criterion.

STATE COUNCIL BACKS STRENGTHENED CAPITAL CONTROL

HK170355 Beijing JINGJI RIBAO in Chinese 10 Feb 83 p 2

[Report: "State Council Approves for Circulation a 'Report on Strengthening Controls Over Enterprise Floating Capital'"]

[Text] The State Council recently issued a circular approving for circulation a "Report on Strengthening Controls Over Enterprise Floating Capital" drawn up by the State Economics Commission, the State Planning Commission, the Ministry of Finance and the People's Bank. The circular demanded that the people's governments of all provinces, municipalities and autonomous regions and the ministers, commissions and subordinate organs of the State Council implement this report.

The "report" said that, in order to change the situation of excessive possession of floating capital, economize in the use of this capital and speed up capital turnover, it is essential to take the following action rapidly:

1. Strengthen production planning controls and do a good job in balancing production and sales.
2. Strictly ban arrangement of points and duplicate construction not covered by the plans, and reduce the amount of floating capital held.
3. Reduce the number of circulation links and clear the circulation channels so as to expand commodity sales.
4. Set time limits in disposing of stockpiles.
5. Strengthen control of floating capital and establish a system for checking on this capital.
6. In supplying capital, financial departments and banks must adopt different measures in light of differing conditions in enterprises.
7. Strengthen control of enterprise capital in conjunction with consolidating enterprises.
8. Strengthen organizational leadership over control of floating capital.

The "report" also demanded that the people's banks institute a system of having credit personnel stationed in the factories, strengthen the control of credits issued by grassroots banks, and help and supervise the enterprises in managing and using capital well.

## JINGJI RIBAO Editorial

HK170603 Beijing JINGJI RIBAO in Chinese 10 Feb 83 p 2

[Editorial: "Tangibly Raise the Economic Results of Utilization of Floating Capital"]

[Text] Economizing in the utilization of floating capital is an important way to raise economic results, eliminate waste, and solve the current problem of construction capital shortage. Leading comrades of the CPC Central Committee and State Council attach tremendous importance to speeding up the turnover of floating capital and have demanded that this turnover be accelerated by 3 percent in state-owned industrial enterprises throughout the country this year. The State Council recently approved for circulation a "Report on Strengthening Control Over Enterprise Floating Capital" drawn up by the State Economic Commission, the State Planning Commission, the Ministry of Finance and the People's Bank. The departments and enterprises concerned must seriously implement this.

Various departments have started to pay attention to economic results in recent years, and controls of floating capital in industrial and commercial enterprises have been strengthened to a certain extent, while the turnover of capital has also speeded up compared with previously. However, there is still a rather serious situation of excessive possession of floating capital, slow turnover and poor economic results in enterprises. The amount of floating capital currently in the hands of state-owned and collective enterprises is irrational and exceeds normal requirements; there are great potentials in this respect. Hence, doing everything possible to economize in floating capital and use it in production and construction urgently needed by the state is an important task in strengthening the control of floating capital.

The possession of floating capital is related to production, distribution, exchange, consumption and all other cardinal links. Whether the growth rate of industrial and agricultural production is sound and whether there is any padding in it can be reflected from the situation in floating capital turnover. If the national economy develops in a planned, proportioned and coordinated way, the turnover of floating capital will speed up and there will be less of it around; otherwise, there will be a lot of floating capital in the hands of enterprises. In addition, the acceleration or deceleration of floating capital turnover is also closely linked to an enterprise's production, technology, finances, production costs and other management standards. If the management standard is not high, economic results are neglected, and production and sales are out of joint, or technical standards are backward and products are poor quality and highly priced, the result will be stockpiles of products and a slowdown in floating capital turnover. Hence the leaders of the economic departments and enterprises concerned must put on their agenda the reduction of floating capital in hand and the improvement of economic results; and they should improve the entire enterprise management standard by analyzing the situation as to the possession of floating capital.

Strengthening production planning controls and expeditiously balancing output and sales are important steps in reducing the amount of floating capital in hand and improving economic results in floating capital utilization. Many years' practice has shown that many stockpiles of materials and commodities are the result of careless planning arrangements and imbalance between output and sales. In accordance with the principle of regarding planned economy as the major factor and regulation by market mechanism as supplementary, in the future it is necessary to arrange sales plans when arranging production plans for goods produced under mandatory planning or under plans at fixed points. In implementing plans, it is necessary to step up investigation and study and make timely readjustments to the plans when it is found that output exceeds demand or that products are not selling well, so as to avoid stockpiles. With regard to products produced under guidance planning or for market regulation, enterprises must promptly grasp market intelligence, persistently fix output according to sales and purchases, and avoid blind production and procurement.

Doing a good job on enterprise consolidation and instituting economic responsibility systems integrating responsibilities, powers and interests represent the basis of strengthening control over floating capital and economizing in its use. The Shoudu Steel Company has adopted the method of "centralized control of capital, with targets set for each person" and has mapped out targets for speeding up floating capital turnover for each workshop, section and individual; it has also linked these targets to the economic interests of the enterprise and the individual. This is a very good method, which helps to change the situation of "everybody eating out of the same big pot" in the control of floating capital. The experiences of the Shoudu Steel Company should be popularized in conjunction with one's own conditions in the course of enterprise consolidation.

Apart from that portion allocated by financial departments, most of enterprises' floating capital comes from bank loans. Hence, it is necessary to bring into play the role of banks in strengthening control over enterprise floating capital. Banks must maintain unified control of credits and issue loans according to stateplans and policy regulations. They must bring into full play the lever role of credits, interest rate, and final accounting, reward units that do well and penalize those that do badly, and stimulate the turnover of enterprise floating capital. It is absolutely impermissible for anyone to force a bank to issue loans.

The amount of floating capital that enterprises possess and the speed of its turnover represent the comprehensive reflection of economic results in the process of production and circulation. All sectors concerned must closely cooperate and take steps together. Economic and planning committees, people's banks, financial departments, and departments in charge of enterprises at all levels must share the responsibilities, coordinate their actions, work hard together and strive to reach in the coming period a relatively good performance level in possession of floating capital and speed of its turnover, and tangibly change the situation of excessive possession of floating capital, slow turnover, and poor economic results.

#### MINISTER LI XIMING VIEWS URBAN CONSTRUCTION WORK

OW161328 Beijing XINHUA Domestic Service in Chinese 0801 GMT 15 Feb 83

[Report by XINHUA reporter Ding Genxi on an interview with Li Ximing, minister of urban and rural construction and environmental protection -- date, place not given]

[Excerpts] Beijing, 15 Feb (XINHUA) -- Li Ximing, minister of urban and rural construction and environmental protection, pointed out that Shandong Province's Weifang City has provided us with an important experience: In carrying out urban construction, like other construction undertakings, we should not rely on state investments alone, but simultaneously rely on the forces of the broad masses of people so that we may carry out such construction well and fast.

Li Ximing said that Weifang City's experience reminded us of Comrade Hu Yaobang's important exposition at the 12th National CPC Congress: "To yield the best results, all our economic work, principles, policies, plans and measures must be based on overall arrangement; on taking into consideration the interests of the state, the collective and the individual; and on fully arousing and scientifically organizing the initiative of the central authorities, localities, departments, enterprises and the working people. This is the most important way to bring about an all-round upsurge in the socialist economy."

Li Ximing pointed out: In the past few years, the implementation of the party's policy of enlivening the economy has enabled localities, enterprises and the masses to increase their financial resources. This has provided the possibility of relying on the masses and mobilizing the forces of all circles to carry out urban construction. In doing so it is imperative to implement the guidelines of the State Council's document on solving the problem of the excessive burdens of enterprises and society and controlling the scales of fixed asset investments, and carry out the work in a down-to-earth manner according to our capabilities. It is also necessary to adhere to the principle of the voluntary offering of funds by beneficiary units from legitimate sources under the leadership of local governments, and to incorporate the funds into the state plan instead of distributing them to enterprises as part of their production costs. It is impermissible to retain profits that are supposed to be turned over to the staff, nor is it permissible to adopt any illegitimate measures to encroach on the state's financial revenues.

RENMIN RIBAO ANALYZES INDUSTRIAL REFORMS

## 'Vitality' in Shipbuilding

HK161100 Beijing RENMIN RIBAO in Chinese 15 Feb 83 p 1

[Commentator's article: "A Reform With Vitality"]

[Text] The 9-month practice of the China Shipbuilding Industry General Corporation since its establishment has proved that the policy adopted by the party's Central Committee and the State Council on integration and reorganization according to specific trades in the existing shipbuilding industry is absolutely correct. The shipbuilding industry has set a good example. This is the first time in the country that economically substantial joint companies gradually have been established in such a nationwide trade. This is a great breakthrough in the system reform of the country, as well as a great breakthrough in the formation of joint companies of different trades in the country.

Carrying out reforms is certainly no easy task. We will encounter difficulties in carrying out reforms; but we will certainly meet more serious difficulties if we do not conduct reforms. When reforms were first conducted in the shipbuilding industry, some people described it as a "hard and difficult walk." This is because we have been influenced by foreign patterns for quite a long time in business management and a slight change might affect the situation as a whole. In addition there are traditional concepts, habitual forces and the hindrance of old practices and style. Therefore, we must make strenuous efforts in every step forward. The reforms in China's shipbuilding industry are initial and just the beginning. However, they have really smashed old traditions, concepts and patterns, and have introduced new vitality to the shipbuilding industry and created a new situation, achieving gratifying results.

Reforms must be carried out in coordination. System reform is very complicated and involves a multitude of things. It is therefore, necessary to have good coordination of all parts. While carrying out shipbuilding industry reform this time, the original Sixth Ministry of Machine Building and the Ministry of Communications had changed their previous practice of shifting responsibilities onto others and disputing over trifles. They established an explicit guiding principle, put national interest in first place, held the same objective, made joint efforts and closely coordinated and consulted with each other. The State Planning Commission, the State Economic Commission, the Ministry of Finance, banks and other departments closely cooperated and rendered support, fostering a good social mood for the reforms.

While implementing reforms we must blaze new trails. In carrying out reforms in the shipbuilding industry, we have, on the basis of investigations and research, readjusted some aspects and links in the fields of production relations which do not correspond with productive forces and in the fields of superstructure which do not correspond with the economic basis. Also we have joined together to establish economically substantial companies regardless of different departments and regions, and at the central and local level and for military and civil use. In the process, the previous situation of scattered management, repetitious construction and offsetting of mutual effects have been changed. The "six-fold combination" involving manpower, financial resources, material resources, production, supply and marketing have been formed into a clenched fist.

The integration of industry and trade, military and civilian, construction and repair work, scientific research and production have been achieved so as to better serve national defense, navigation, agriculture, fishery, oceanic oilfield exploitation and the expansion of exports. Reforms are now developing deeply and completely. The promotion and implementation of various contracted responsibility systems and the corresponding reforms on the wage system will further smash the practice of "eating out from the same big pot," arouse the enthusiasm of central and local authorities and enterprises and individuals, stimulate the development of productive forces and greatly raise economic results.

#### Light Industry Leadership

HK170932 Beijing RENMIN RIBAO in Chinese 15 Feb 83 p 1

[Report by Liu Shiping and Zhao Xinglin [0491 2514 1627, 6392 5281 2651]: "Ministry of Light Industry Carries Out Reforms by First Changing Leadership Style"]

[Text] In assigning this year's production quotas and carrying out reforms to economic work, the Ministry of Light Industry has set demands on its affiliated organizations in three aspects as follows:

1. It is necessary to set up the responsibility system among leading cadres, clearly define duties to all departments and bureaus and minimize daily routine work so as to enable them to go to the forefront of production to conduct study and investigation and improve work efficiency. In this connection, regulations should be followed. Problems which can be solved within a department or unit should not be reported to higher authorities. Decisions should not be made in haste on any matter which is not sufficiently clear, but action must be resolutely taken when something is sure in practice. Things which can be straightened out face to face should not be handled over the telephone or through circulars. All problems which should be solved on the spot should not be discussed again and again in the office. Leading cadres must take the lead in overcoming bureaucracy. Efforts must be made to reduce the number of circulars and meetings and to stop red tape and squabbling.

2. Leaders must be the first to be law-abiding and handle matters impartially so as to do their part to improve the party style and social mood. As to the characteristics of the work of light industry which mainly produces daily consumer goods, leading cadres are required not to do the following ten things: Not to promote their private interests under the guise of serving the public; not to indulge in extravagance and waste; not to accept gifts; not to give dinner parties and presents; not to buy low-priced commodities in short supply through the back door; not to share out exhibits in private; not to ask for trial products from enterprises with certain excuses; not to eat and take more than they are entitled to; not to travel from place to place enjoying the beauties of nature under certain pretexts; and not to break rules to recruit employees.

3. In order to meet the requirements of the new situation, leaders at all levels must take the initiative in studying politics and cultural, scientific and technological subjects so as to enhance their theoretic level and work ability and improve their leadership style and method of work.

#### RENMIN RIBAO CALLS FOR RESOLUTE, ORDERLY REFORM

HK170825 Beijing RENMIN RIBAO in Chinese 17 Feb 83 p 1

[Editorial: "Carry Out Reforms in a Resolute Yet Orderly Way"]

[Text] At present, our country is carrying out a series of reforms while following a socialist orientation. Structural reforms at the provincial level are now being carried out following the completion of the first stage of the task in the central organs.

Under the influence of the tremendous successes scored in reforms in the rural areas, reforms are gradually unfolding in industry, commerce, culture, education and so on in the urban areas, and a number of units with notable successes have emerged. Reform has become a warmly debated topic of conversation among the cadres and masses. To implement the 12th party congress spirit and create a new situation in all fields of socialist modernization, we must follow the correct guideline set by the Central Committee and carry out the reforms in a resolute yet orderly way.

We must fully realize the importance and urgency of reform and also fully realize its difficulty and complexity. It is fundamentally impossible to create a new situation and win victory in the cause of socialist modernization without carrying out a whole series of reforms for destroying the old and establishing the new. The great successes achieved by the party and the people of all nationalities in the whole country, and especially the notable developments in all undertakings since the 3d plenary session of the 11th Central Committee, have created the conditions and laid the foundation for further reforms. We should have no hesitation at all on the question of whether reform is needed or not. For us, however, large-scale reform is indeed a brand-new undertaking, and we lack sufficient experience. Although we have gained relatively mature experience in reform in the rural areas, reform in the urban areas will be much more complex. Therefore, we must not advance with hesitation, regarding reform as something mysterious, nor should we take hasty action, regarding it as something simple.

Organizing pilot projects first and then popularizing their achievements is an extremely important experience in our party's leadership methods. We must stick to this experience when carrying out reform. It seems that things might be done slowly this way, but in fact this is not so, because by acting in this way we can avoid unnecessary detours. The losses will be greater and more time will be spent if deviations appear that have to be corrected; and the reputation of reform might be spoiled too. In reform, when we say that we should act decisively on things that we have identified, we refer to things that have been proven successful by experiment with typical cases.

Generally speaking, our attitude toward reform must be positive, but it must be carried out under leadership in a measured way, and we must not rush headlong into mass action. We must continue to follow the path of practice, summation, more practice, and more summation, probe the laws while doing things, and make a steady, step-by-step advance. Reforms in many aspects have to be carried out in groups and batches. This is the case with structural reform and also with the institution of management responsibility systems, with reforms in science and technology, culture and education, public health and so on, and also with future party rectification. By carrying out reforms under leadership in a measured way and working in groups and batches after experimenting, we can avoid deviations, upheavals and chaos.

It is essential to have a sense of urgency in reform, but as far as time requirements are concerned, we should be neither too slow nor too quick. Five years have been spent popularizing the agricultural production responsibility systems. The situation in the urban areas will be much more complex than that. A factory cannot shut down to carry out reforms; reforms involve production, supply, energy, raw materials, transport and so on, link upon link forming a chain. In addition there are differences between the systems of ownership by the whole people and ownership by the collective. It is therefore unrealistic to demand that things be done in a great hurry. Of course, reforms in certain aspects such as the retail trade, catering services, repair services and so on can be done a bit faster, but reforms in many aspects cannot be done too quickly.

The guideline for reform put forward by the central authorities stresses basing the work on reality. This is extremely important. In carrying out reforms in the rural areas, we do not treat all cases in the same way regardless of the circumstances, and neither, of course, should we act in this way in carrying out reforms in the urban areas. Reforms in small and large enterprises must be conducted according to their different conditions, and we cannot apply a single unified pattern. Neither can we simply comprehensively apply in enterprises owned by the whole people the methods instituted in the rural areas. Similarly, it will not do to comprehensively apply in spiritual production departments the methods applied in material production departments. In short, all fronts and units must do a good job of reform in light of their own special features by basing the work on their own realities.

It is very natural that there should be differences in people's understanding of reform and attitude toward it. When certain comrades cannot keep abreast of events for the time being, we must not solve the problem by putting pressure on them; we must step up ideological education for them, and in particular convince them by citing facts. Typical cases are the best ways of convincing them. The agricultural reforms have provided extremely successful experience. We did not resort to the method of organizing a campaign in carrying out this great change. At the start, many comrades could not think things out and were filled with misgivings, but as a result of education by facts, more and more comrades have changed their views and consciously plunged into the reform ranks. This is a very valuable experience.

The current situation in reform is very good, and the cadres and masses are very enthusiastic over it. The better the situation, the more must the leaders keep sober heads. They must devote their efforts to investigation and study, to probing typical cases, and to providing appropriate guidance. They must regularly pay attention to and analyze the trends in reform, look a few steps ahead, and know what is what. So long as we do our work in a thoroughly sound way and provide painstaking guidance, we will certainly be able to get a good grasp of this great undertaking of reform and ensure that it develops along a healthy path!

#### HU QIAOMU ADDRESSES JOURNALISTS' GATHERING

OW171021 Beijing XINHUA Domestic Service in Chinese 1211 GMT 16 Feb 83

[Report by XINHUA reporters Qu Jianchong and Zou Aiguo]

[Text] Beijing, 16 Feb (XINHUA) -- More than 800 persons from the Beijing press happily gathered at the Beijing Restaurant this afternoon to talk about the great cause of the four modernizations and to look forward to a bright future. Wang Zhen, Hu Qiaomu, Deng Liqun and other leading comrades extended Spring Festival greetings to those present.

In his speech at the gathering, Comrade Hu Qiaomu encouraged those present to maintain and carry forward the party's glorious tradition in journalistic work and to strive to do first-rate work in the new year.

He expressed three hopes for comrades in the press: First, comrades in the press should always and conscientiously base their work on Marxist-Leninist theory, have their writings permeated with as much theoretical flavor as possible and explain things theoretically in their writings. Second, attention should be paid to continuity in journalistic and propaganda work, and what is publicized today should be organically consistent with what was publicized yesterday and the day before so that the masses of people will think the party's policies are continuous and consistent. Third, journalists should step up their studies in order to raise their professional level and better express themselves in writing. In propaganda and reportage it is necessary to guard against exaggeration and onesideness.

Today's Spring Festival tea party was jointly sponsored by RENMIN RIBAO, the XINHUA NEWS AGENCY, the Ministry of Radio and Television, JIEFANGJUN BAO, GUANGMING RIBAO, GONREN RIBAO, ZHONGGUO QINGNIAN BAO, JINGJI RIBAO, BEIJING RIBAO, ZHONGGUO RIBAO, ZHONGGUO NONGMIN BAO, the Information Bureau of the CPC Central Committee Propaganda Department and the All-China Journalists' Association.

FORUM HELD ON CULTURAL, LITERARY, ART REFORMS

HK160908 Beijing RENMIN RIBAO in Chinese 12 Feb 83 p 1

[Report: "Ministry of Culture and RENMIN RIBAO Editorial Department Hold Joint Forum on Cultural, Literary and Art System Reforms"]

[Text] In order to ensure reforms in the cultural system and literary and art units to develop steadily and healthily, the Ministry of Culture and the editorial department of this newspaper held a joint forum on 10 February to discuss this issue. People attending the forum included well-known writers and artists and responsible comrades of the parties concerned: Xia Yan, Chen Huangmei, Feng Mu, Zhao Gang, Ding Qiao, Hua Junwu, Li Ling, Liu Housheng, Shi Fangyu, Li Gang, Luo Yang, and Sun Shen. The meeting was presided over by Zhu Muzhi, minister of culture, and Qin Chuan, general editor of RENMIN RIBAO.

At present, under the leadership of party central authorities, experiments on reforms are being carried out on all fronts and reform has become an irresistible trend. Comrades attending the forum said that institutional reform must be carried out in the cultural, literary and art system. Practice over the past 20-odd years has shown that such maladies as over-rigid control and the egalitarian practice of "eating from the same big pot" exist in our current structure and institutions. This has resulted in overstaffed organizations and poor efficiency, keeping people's talents and material resources from being brought into full play and seriously hindering artistic creation. If reform is not carried out, our literary and art work will not meet the needs of creating a new situation in all fields of socialist modernization and the needs of building a high degree of socialist spiritual civilization.

Comrades pointed out: Our attitude toward reform must be resolute. We must fully understand the importance of reform and be resolute promoters of reform. However, the steps for reform should be steady and reform should be carried out in a methodical and orderly way. It is necessary to make investigations and studies, to proceed from the actual conditions of one's own departments and units and to make experiments before reform measures are generally adopted. Setting a time limit, rushing headlong into mass action and forcing uniform measures in all units are all inadvisable, comrades also stressed; reform is a very complex and painstaking task. Besides the generality existing in both artistic creation and material production, artistic creation has its own special characteristics and different sectors of artistic creation still have their respective characteristics. Therefore, reform in the cultural, literary and art system may be more complicated than reform in the economic departments. Moreover reform should, of course, take into account economic benefits; but economic benefits should not be the only starting point of reform. Reform in the cultural, literary and art system involves a wide area. Institutions and methods need to be reformed, and ideology and the work style of our personnel also need to be reformed. The first thing we should consider is, through reform, to improve artistic quality, bring about a flourishing culture, induce more and better works and cultivate a large number of talented people with both ability and political integrity.



FUJIAN REGULATION ON 'ENLIVENING' RURAL ECONOMY

OW160307 Fuzhou FUJIAN RIBAO in Chinese 6 Feb 83 p 1

[ "Fujian Provincial People's Government 10-Point Regulation on Further Enlivening the Rural Economy" -- FUJIAN RIBAO headline; the following circular accompanies the Fujian Provincial Government regulation: "Fujian Provincial Government 10-point regulation on further enlivening the rural economy has been examined and approved by the 19th meeting of the Standing Committee of the 5th Fujian People's Congress and is hereby circulated; 3 February 1983" ]

[Text] To bring into full play the enthusiasm of the peasant masses for socialism; accelerate the transformation of agriculture from a state of self-sufficiency or semiself-sufficiency to large-scale commodity production and from traditional agriculture to modern agriculture; embark on the road of all-round development of farming, forestry, livestock breeding, sideline occupations and fishery and of combined operations of agriculture, industry and commerce; break through the situation in which "everyone eats out of the same big pot"; enliven the rural economy; develop commodity production; and bring prosperity to urban and rural markets, the following 10-point regulation on the current rural economic development has been adopted.

1. The output-related system of contracted responsibilities in varying forms will remain unchanged for a long time to come. The responsibility system should continue to be stabilized and improved. The relationship between unified and separate management should be properly handled. As to what should be under unified management and what should be managed separately, decisions should be made by the masses through democratic discussion and in consideration of local conditions. It is necessary to earnestly promote the contract system, improve the financial system and implement measures to give preferential treatment to families of revolutionary martyrs and soldiers, take good care of households enjoying the five guarantees and give support to families with material difficulties. On the basis of unified management, state and collective farms, forests, grazing land, fish farms, tea farms and orchards should establish and improve the output-related system of contracted responsibilities. Peasants have the right to inherit privately planted forests and fruit trees.

2. Specialized households and cooperative economic undertakings will be encouraged and supported, and commodity production will be developed. Specialized households, whether under public contract or in private operation, may all engage in specialized jobs in farming, forestry, animal husbandry, sideline occupations, fishery, industry, commerce and transportation. Cooperative economic undertakings of varied forms will be developed under the principle of voluntary participation and mutual benefit. There can be combinations of laborers or combinations of funds; combinations of productive undertakings or combinations of supply, marketing, processing, storage, transportation and technical services; and combinations within an area or combinations that go beyond county and provincial borders. In all forms of economic combinations, the principle of distribution according to work should be practiced, or it should be followed as the main form of distribution while allowing a certain percentage of profits to be distributed by shares. All forms of economic combinations should establish three systems, namely, the system of depreciation of fixed assets, the system of setting aside a certain percentage of public funds, and the system of labor accumulation. The exploitation, processing and sale of products which cause serious environmental pollution, destroy resources or are under state monopoly are strictly forbidden.

3. In order to enliven commodity circulation the procurement and marketing policy will be further relaxed while cooperative commerce will be allowed to develop freely and individual traders will be allowed to develop appropriately. Grassroots supply and marketing cooperatives; enterprises engaging in agricultural, industrial and commercial undertakings; sales and marketing departments of enterprises run by communes and production brigades; and trading houses should continue to develop after carrying out reform or reorganization. The peasants should be allowed to sell products (excluding lumber) -- through various channels -- after fulfilling the state unified procurement plan, as well as products which do not come under the state procurement plan. State commerce should actively take part in negotiations for procurement and marketing and in regulating the market. Supply and marketing cooperatives and other rural commercial cooperatives, in which peasants are allowed to take part in management, may freely purchase and sell goods, enter cities and go beyond county and provincial borders. Collective and individual commerce should be allowed to purchase goods directly from industrial goods wholesale stations, set up stalls, engage in both buying and selling, and visit villages and townships to provide mobil service. Peasants as individuals or in groups may engage in long-distance sales and delivery provided they have completed industrial and commercial registration, paid taxes in accordance with the law and abided by market management regulations. The regulation requiring that the shipment of agricultural and subsidiary products to other localities be reviewed and approved by the unit in charge of the products is abolished.

4. Peasants as individuals or in groups will be encouraged to collect funds to set up basic rural facilities. They may build warehouses, cold storages, small hydroelectric power stations, simple roads and other construction projects that can promote the commodity production. They may also set up schools, bookstores, movie theaters, clubs, cultural halls, kindergartens, medical clinics and other cultural, public health and welfare facilities. Whoever sets up the facility, runs it and receives the profits earned.

5. Commune- and brigade-run enterprises will be popularized and the production responsibility system in various forms will be established and improved. Decision making powers must be expanded and enterprises should hold democratic discussions and make decisions on such matters as selection of cadres, recruitment and dismissal of staff and workers, wages and welfare, financial plans and marketing and sales of products. It is necessary to encourage the implementation of the manager (plant director) responsibility system under which the manager, within the limits of the powers entrusted to him by the collective and during the period of the contract, assumes the entire responsibility of enterprise management and is paid favorably if the task stipulated in the contract is fulfilled but paid less if the task is not fulfilled. However, monopoly over contracts by a handful of people with powerful connections must be prevented.

6. Scientific and technical personnel in agriculture and production experts will be encouraged to sign technical contracts with rural economic organizations. Skillful craftsmen, production experts, educated youths and retired or demobilized servicemen in the rural areas should be encouraged to bring into play their specialties through the setting up of technical service organizations and be allowed to work for any rural economic organization. By signing technical contracts with rural economic organizations, scientific and technical personnel should be allowed to receive a certain portion of the profits derived from any increase in production in addition to wages.

7. Mutual assistance in labor and technical cooperation among the masses will be permitted. Exchange of labor between two farm households, hiring of odd-job men by households losing or in need of a labor force to maintain their livelihood and recruitment of seasonal or technical laborers or laborers specialized in the cooperative economy should be permitted.

Individual industrial and commercial households and breeding experts in the rural areas should be allowed to keep a few apprentices and hire a small number of helpers. Restrictions on the recruitment of laborers and technicians to help afforest barren mountains, utilize undeveloped water resources, promote aquiculture in undeveloped shorelines and carry out other development and production construction projects may be relaxed.

8. Peasants as individuals or in groups will be allowed to purchase small- and medium-sized production machinery and tools, including machines and tools for processing agricultural and subsidiary products, small tractors, wet-field tractors and small motor boats for production and transportation. In areas where conditions permit, individuals should also be allowed to purchase large- and medium-sized tractors and motor vehicles.

9. Returned overseas Chinese and relatives of Chinese nationals residing abroad will be encouraged to initiate rural production and construction projects and build basic facilities. They will be encouraged to carry out development projects in agriculture, forestry, animal husbandry, fishery, tea-growing and orchards and set up processing industries, service trades, warehouses, cold storages, small hydroelectric power stations, roads and other basic facilities. They may finance projects along or with others; they may set up joint management with local cooperative economy organizations or form partnerships with the peasants. In running the above-mentioned undertakings, the returned overseas Chinese and relatives of Chinese nations residing abroad will assume the responsibility for their own profits or deficits. Within limits permitted by state policies and decrees, managers can decide on recruitment of personnel, wages, welfare and distribution of profits. In the course of establishing an undertaking it is necessary to adhere to the principle of voluntary participation and mutual benefit, and forcible apportion and collection of funds are forbidden.

10. State, collective and individual interests must be considered at the same time. The broad masses of peasants and cooperative economic organizations must love the country, abide by the law and prosper by engaging in manual labor. They must accept the guidance of the state plan, resolutely implement the policy of "sparing no effort in promoting grain production and actively developing diversified undertakings," fulfill contracts, ensure the fulfillment of the state procurement plan in quantity and quality, and make greater contributions to national construction. They must protect natural resources and cultural relics, cherish every inch of farmland and firmly stop destructive felling of trees and illegal seizure of farmland and mines. They must also strictly abide by the family planning policy; undertake certain responsibilities for collective public undertakings; consciously observe state policies and decrees and village rules and regulations; and struggle against various crimes in order to realize a reinvigorated rural economy on all fronts.

#### JIANGXI'S BAI DONGCAI VISITS CONTRACTED FACTORY

OW161006 Nanchang Jiangxi Provincial Service in Mandarin 1100 GMT 14 Feb 83

[Text] This morning Bai Dongcai, first secretary of the provincial CPC Committee; Zhao Zengyi and Liang Kaixuan, acting governor and vice governor of Jiangxi Province; (Wang Shuheng) and (Li Yuxiu), secretary and deputy secretary of the Yichun Prefectural CPC Committee; (Han Haiqing) and (Ma Jinling), commissioner and deputy commissioner of Yichun Prefecture; and leading comrades of provincial, prefectural and county departments concerned made a special trip to the Fengcheng sulphuric acid and phosphate fertilizer plant to extend Spring Festival greetings to cadres, workers and staff members. They urged them to take a clear-cut stand in supporting reform work and to be promoters of reform.

A factory contracted to (Lu Huogen) for individual operation has attracted the special attention of leading provincial, prefectural and county comrades. In spite of their busy schedule, Comrades Bai Dongcai, Zhao Zengyi and others visited the factory where they received a briefing by Comrade (Lu Huogen). The factory has been contracted to Comrade (Lu Huogen) for half a month. The Fengzheng County CPC Committee, which supported this new thing, assigned a responsible comrade from the county economic committee to help Comrade (Lu Huogen) with the work. In the meantime, (Feng Rongxi), secretary of the factory's party general branch, has also carried out a great deal of ideological work on (Lu Huogen). Since the signing of the contract, people in the factory have worked with an ease of mind and production has proceeded very well. By the first day of the Lunar New Year, the average daily sulphuric acid output reached 185 dun, exceeding the original plan by 35 dun.

After receiving the briefing, Comrade Bai Dongcai said happily: An individual signing a contract to assume responsibility for the production of a factory is a new thing and the first in our province. We must support it and exert every effort to make it a success. The publicizing of (Lu Huogen's) contract with the factory in newspapers and radio broadcasts has a great impact. Riding a horse, one must gallop; one cannot rein the horse in or turn around. In reform, we are bound to encounter obstacles, contradictions and problems; there cannot be smooth sailing all the way. We must support and protect this new thing. We must support it with our own efforts and simultaneously rely on the vitality of the new thing itself.

After analyzing the situation, Comrade Zhao Zengyi said: You have broken the practice of eating out of the same big pot, but we will not give you a small stove. If you want to eat well, you must make your own efforts.

Then, Comrade Bai Dongcai added: That was well said. We will not beg you for extra food. If we do, others will resent it, this typical example will lose its significance and it will not be a reform.

Leading Comrades Bai Dongcai and Zhao Zengyi also inquired about the leadership of other plants. When they learned that two vice factory managers -- both college graduates -- were not in the factory, they immediately called them in and gave them earnest advice: Unity means strength. They encouraged them to run the factory with one heart and one mind.

In the afternoon, Bai Dongcai, Zhao Zengyi and others visited the family of (Li Jingliang), a specialized household under the (Gangdong) brigade of the (Xiaogang) commune in Fengcheng County, who became well-to-do through labor. Vice Governor Liang Kaixuan visited and extended greetings to coal miners of the Fengcheng Mining Bureau who worked during the Spring Festival.

#### SHANGHAI COMMERCIAL SYSTEM REFORM REGULATIONS

OW160009 Shanghai JIEFANG RIBAO in Chinese 7 Feb 83 p 2

[Text] At the meeting of cadres from the financial and trade system in Shanghai, held on 6 February, Pei Xianbai, vice mayor of Shanghai and director of the municipal Finance and Trade Office, read "Several Regulations on Reform of the Commercial System" which had been adopted a few days before at a municipal People's Government work conference. The regulations point out that the following five aspects should be emphasized in the current endeavor to restructure the commercial system:

1. A Contract Responsibility System for Commercial Operation Should Be Actively Promoted

Adopting this system is a big reform of the method of running commercial enterprises.

Retail commercial enterprises should set up diverse forms of the contract responsibility system under their leadership and in a planned and systematic way, in accordance with the different forms of ownership and trade, the different scales of operation and different structures, as well as in accordance with the merits of each case. The system should be put into practice on a trial basis in the first half of this year, and it is hoped that there will be a big breakthrough in the second half of the year. The following forms may be put into practice: state-owned enterprises leased to collectives; collectively owned enterprises leased to collectives; the adoption of contracts for fixed quotas and division of profits; the substitution of taxes for profits delivered to the state; the signing of contracts with managers; and the adoption of a comprehensive contract system. The forms of operation should be promoted according to circumstances and expanded and speeded up in an orderly manner. The adoption of these forms of operation should be speeded up among such service trades as food and beverage shops, repair shops, dress-making and tailor's shops, and at the markets which are important to the people's livelihood. As for purely commercial enterprises, these forms of operation should be experimented with in selected categories before being put into practice.

Commercial enterprises, instituting the contract responsibility system of commercial operation, should first understand their economic responsibility to the state, staff, workers and other enterprises. At the same time, such enterprises should be given some economic authority, and their economic interests and those of their staff and workers should be appropriately tended. This means combining responsibility with authority and interests. Contracting enterprises must practice an independent accounting system, assume sole responsibility for their loss or profit and implement the principle of to each according to his work.

In practicing the contract responsibility system of commercial operation, it is necessary to strengthen ideological and political work and correctly handle the interests of the state, enterprises, staff, workers and consumers. First of all, the state should be guaranteed increased revenue. In other words, the state should get the bigger portion; enterprises should get the middle portion and the staff and workers the small portion. Moreover, it is necessary to protect consumers' interests and service the people in a better way by strictly implementing the price policy and upholding fairness in commercial transactions. Under no circumstances should we allow the contract system to affect state income and harm consumers' interests.

## 2. Efforts Should Be Made To Vigorously Develop Cooperative Commerce, the Catering and Other Service Trades and To Continue To Promote the Growth of Individual Businesses

In restructuring the commercial system, we should strive to make state-run commerce the leading factor, while permitting the operation of different forms of commercial economy. In future, the addition of food and beverage shops and any other commercial service networks in city and countryside should be aimed mainly at enlarging the form of cooperative operation. In cities and county towns this type of trade should be run mainly and jointly by educated youths. In villages and market towns, they may be run collectively by communes. With the approval of the country authorities concerned, rural communes, production brigades and teams may form collectives and run shops in county towns and in suburban residential areas; with the approval of the authorities concerned, they may set up shops in the municipality's peripheral areas bordering the suburban counties; and with the approval of the municipal authorities concerned, they may set up shops selling special indigenous products, restaurants and other service shops in municipal areas.

Efforts should be made to improve, through readjustment, the suburban counties' existing integrated companies combining industry, agriculture and commerce, enterprises' sales agents and other cooperative commercial establishments run by communes and their subdivisions. With their defects removed, they will continue to develop. This type of enterprise deals mainly in the products it produces. It is permitted to engage in wholesale and retail sales. It is also permitted to send its products to market and order goods from other units and state-run commercial wholesale departments for resale.

A flexible policy should be adopted to allow individual commerce, food and beverage shops and other service trades to grow. Individual commercial enterprises are allowed to engage in wholesale and retail sales and sell their goods from mobile vehicles. Individual businesses must be registered by the proper industrial and commercial administration, must pay taxes according to law and abide by the state policies and decrees.

State-run commerce should actively support cooperative and individual commerce, food and beverage shops and give them proper guidance.

### 3. Vigorous Efforts Should Be Made To Reform the Commercial System for Rural Supply and Marketing Cooperatives

All grassroots supply and marketing cooperatives in the rural areas should restore their nature as cooperative commerce undertakings. They should check their shares, give bonuses, increase the number of shares and draw peasants in as shareholders. They should institute a cooperative members' congress system, and the congress should elect the boards of directors and supervisors in a democratic way. Moreover, they should flexibly conduct various business operations and provide various services in order to meet the needs in the development of commodity production and cooperative economy in the rural areas. By carrying out such reforms, grassroots supply and marketing cooperatives should strengthen their mass character in organization as well as their democratic management and operational flexibility. Each county should select several grassroots supply and marketing cooperatives to make experiments in this regard, speedily sum up their experiences and popularize them in an all-round way. At the same time, it is also necessary to experiment in the amalgamation of overlapping supply and marketing cooperatives run by towns directly under the county authority and by communes. Then, county supply and marketing cooperatives should be changed to joint county supply and marketing cooperatives on this basis.

Supply and marketing cooperatives should expand the scope of their operations and services. Without being restricted by the current division of business, they may procure and market products of communes, production brigades, teams and peasants after the latter fulfill the state procurement task; they may also procure and market the latter's products, not included in the state plan. Supply and marketing cooperatives may buy and sell products at negotiated prices, act as a purchasing agent and sell products on a commission basis; they may procure and market products in other counties and cities; and they may also develop joint agricultural commercial business in their counties or other counties and cities. Supply and marketing cooperatives should better serve the development of agricultural and sideline production and give full play to their role as a link in the promotion of rural economic associations. At the same time, they should appropriately strengthen the building of their business facilities.

### 4. Readjust the Policy of Procurement and Marketing of Agricultural and Sideline Products.

It is necessary to continue the unified purchase on fixed quota of a few agricultural and sideline products having a bearing on the national economy and the people's livelihood.

As for the agricultural and sideline products of communes, production brigades, teams and peasants, after fulfilling their tasks in unified purchasing by the state on fixed quotas and procurement according to the state plan, as well as products not included in the state plan, they may be allowed to sell such products (excluding cotton) themselves or sell the products after processing. Licensed peddlers may also transport such products for sale. Such products should be sold at market prices, which may rise or fall. The municipal regulations under which approval must be obtained from the department concerned for transporting agricultural and sideline products to other areas for sale are rescinded.

After fulfilling or overfulfilling their task of selling grain to the state according to a unified plan, communes, production brigades, teams and peasants may sell grain themselves or sell it after processing. Grain departments should actively purchase and market grain at a negotiated price. Supply and marketing cooperatives, cooperative commerce organizations and licensed peddlers all may buy and sell grain at a negotiated price.

After fulfilling their planned state purchase task, collective livestock and poultry farms and individual peasants in suburban counties may sell their pigs, poultry and eggs themselves or sell them after processing; they may also sell them in other areas. After purchasing such products according to plan, state commerce organizations may also buy them at negotiated prices.

Vegetable farms in suburban counties must plant vegetables in a planned way and sell them to state commerce departments according to a unified plan. Communes, production brigades and teams, as well as specialized households, may sell their fresh vegetables at state list prices on the food markets designated by relevant departments according to market regulations. After fulfilling their contract responsibility, those who produce seasonal Chinese cabbage and interplanted vegetables may sell their surplus on the market. Other vegetables not included in the state plan all may be sold on the market or transported to other places for sale.

After fulfilling their assigned purchase tasks, suburban counties may sell their freshwater fish to state commerce organizations at an increased price or at farmers' markets in rural areas and towns.

It is necessary to open more channels for the circulation of agricultural and sideline products from communes, brigades and production teams, in excess of planned production targets, by setting up in a planned way several large agricultural trade centers in the peripheral areas of the municipality. It is also necessary to appropriately set up additional negotiated sales departments of stores in the municipality and to expand trade warehouses' purchasing and marketing operations.

Commercial and financial institutions should vigorously improve their procurement and accounting methods in order to adapt themselves to the new situation in which the contract responsibility system has been instituted in agricultural production. In the peak period for procurement of agricultural and sideline products, commercial departments should designate more places and set up mobile stations to facilitate the selling of such products by peasants.

##### 5. Expand and Increase Channels for the Circulation of Industrial Products

Wholesaling of industrial products must meet the needs of the reform of the system of retail enterprises in the urban and rural areas, and channels for the circulation of such products must be expanded and increased.

Management should be improved. First-level commercial establishments, mainly wholesaling local products, should gradually give such business to second-level wholesalers. Special wholesale stores may be set up to deal in a great variety of special goods. Factories may establish close contact with stores and wholesale their products to the latter. Second-level wholesalers should do a good job in assisting third-level wholesalers in suburban counties to set up sample rooms, visit customers and hold trade fairs. Second- and third-level wholesalers may engage in joint business in various ways, and so may third-level wholesalers and grassroots supply and marketing cooperatives. Where conditions permit large and medium retail stores may also concurrently engage in wholesale business after obtaining approval from competent authorities.

Channels should be increased for stocking stores with goods. Big stores in urban areas and third-level wholesalers in suburban counties may purchase goods from first-level wholesalers; cooperative commerce establishments in urban areas and grassroots supply and marketing cooperatives in suburban counties may purchase goods from second-level wholesalers; cooperative commerce establishments in suburban counties may purchase goods from third-level wholesalers; rural branch stores and rural shops commissioned to sell certain goods may purchase goods from grassroots supply and marketing cooperatives in other communes or counties or from third-level wholesalers; and second-level wholesalers should take the sources of goods into account and create conditions for supplying licensed peddlers with some goods.

Policy restrictions on the purchase and marketing of small products should be relaxed. Small products put on the market should not be confined to small handicraft articles, and some industrial products under the third category, as well as second-category industrial products which state commerce establishments do not procure, may also be put on the market. In addition to licensed handicraftsmen and peddlers, state and cooperative commerce establishments, as well as collective enterprises run by neighborhoods, communes, brigades and production teams may also set up stalls in a market area to sell goods. Town residents and peasants may also sell their sideline products in the market. Various flexible forms of business operation may be used. Goods can be bought or sold in batches, and licensed peddlers are permitted to transport products for sale.

GUANGZHOU RIBAO ON USING SURPLUS LABOR FORCE

HK170549 Guangzhou GUANGZHOU RIBAO in Chinese 23 Jan 83 p 1

[Unattributed report: "Panyu County Promptly Studies the Way Out For the Surplus Labor Force in the Rural Areas"]

[Text] By developing specialized households, intergrated bodies, brigade enterprises and household sideline industries as a means of solving the problem of a surplus labor of 60,000 people in agriculture, and promoting the development of multivariety management, Panyu County has seen improvements in both collective and individual results and benefits.

The large scale of surplus labor force which has arisen as a result of the implementation of the system of contracted responsibilities in the countryside in Panyu County, has meant that brigades and collectives have been actively developing brigade enterprises while individual peasants have been developing specialized households, integrated bodies and household sideline industries, thus providing a solution to the surplus labor force and at the same time improving collective and individual economic benefits.

In this county land cultivation averages as 1.2 mu per person. In the last few years since the introduction of the contract responsibility system and especially since the popularization of the all-round contract system, the problem of surplus labor has become increasingly prominent, with general surpluses reaching 30 to 50 percent so that in the entire county there is a surplus labor force of around 80,000 to 100,000 people.

Every level of leadership in Panyu County has, in addition to urging the peasants to carry out intensive cultivation, more scientific cultivation and to expend more energy in their work, also sought to solve the problems of surplus labor in the following four areas:

1. Leaving agriculture but not the area. This has involved urging some of the agricultural labor force with specialized talents to take leave of agriculture and to specialize in carrying out administrative and management work in industries outside agriculture so that they might become specialists in the management and administration of forestry, animal husbandry, agricultural sideline industries and fisheries. According to incomplete statistics, there are at present more than 6,300 households involved in specialized households and contracted household work, while the number of the work force doing specialized work has reached more than 14,000.
2. Encouraging every commune, brigade and peasant household to implement vertical and horizontally-directioned economic and technological combinations and to carry out management and administration of animal raising industries, building material industry, the transportation industry etc. At present the total number of new economic combinations independent of collective economy or retaining only specific links with the collective economy stands at 2,260, with a work force of 14,000 (including hired help).
3. Actively developing brigade enterprises. At present the two levels of enterprises run by brigades total around 1,800, with capacity for a work force of more than 25,000.
4. Encouraging and helping peasant households to actively develop household sideline industries which concentrate on animal raising and planting and provide high economic returns. These all represent important ways of solving the problem of the surplus labor force.

Full use of a village's surplus labor force not only means one can change consumers into producers but it also means that one can improve economic results and raise labor productivity. The Luobian brigade of the Nancun commune has many people and little land, and after implementing the system of responsibility the brigade made use of its surplus labor force to set up and open 16 factories and shops with the result that over 500 people from the surplus labor force left the land but not the area. In addition another 200 people were organized to go and work in commune enterprises, leaving 200 of the labor force engaged in agricultural work. Since then not only has the labor force been fully exploited, but productivity in agricultural labor has seen a fourfold rise. The result has been that the profits from industrial sideline industries in the whole brigade had risen to an average of 500 yuan per person, more than three times what it was before. After implementing the system of responsibility, Yuexi No 2 brigade in Shilou commune urged the commune members to actively raise geese according to local conditions. This year 80 percent of the households in the brigade have been raising geese, with each household raising an average of 70.

Since last year Panyu County has achieved very good economic results because it fully exploited its surplus labor force by developing all kinds of specialized households, developing household sideline industries within brigades, and because it did its utmost to promote the development of multivariety management and administration, with every person giving his or her best and the land being used to its optimum. The total area devoted to fishery in the county has now reached more than 20,000 mu, an increase of 6.1 percent over 1981. More than 30,000 households breed fish, covering an area of more than 3,600 mu within this total figure, an increase of 1,000 mu over 1981. The output of fish has increased 10 percent since 1981. The total number of pigs raised has reached more than 300,000 a 6.9 percent increase over 1981. The total quantity of fowl raised reached more than 6 million birds, nearly double the numbers of 1981. The total planting area for bananas, watermelons, papayas, mandarin oranges, oranges and other fruit, has reached more than 800,000 mu, nearly 10 percent more than in 1981. Brigade enterprises have also greatly developed. Last year there was an increase of around 330 new brigade-run factories throughout the county with total income reaching 300 million yuan, a 20 percent increase over 1981.

DRESS PARADE OF CHENGDU PLA AIR FORCE REPORTED

HK160215 Chengdu SICHUAN RIBAO in Chinese 26 Jan 83 p 1

[Report by Cheng Ying [4453 7751]: "The Air Force of the Chengdu PLA Units Holds Dress Parades in Nine Places Including Chengdu, Chongqing, Lhasa and Xichang From 17-20 January"]

[Text] In order to report to the party and the people on the achievements in creating a new situation in regularizing the troops, the Air Force of the Chengdu PLA units held, from 17-20 January, dress parades and march-pasts in nine places including Chengdu, Chongqing, Lhasa and Xichang. These activities were participated in by a total of more than 13,000 cadres and fighters forming 79 formations.

Wu Jiyuan and Zheng Zhubo, and political commissars of the forces and other leading comrades attended these dress parades.

In order to implement the important instructions of Deng Xiaoping, chairman of CPC Central Military Commission, on "building a powerful modernized and regularized revolutionary army," the air forces have begun since the first half of last year to vigorously grasp the regularization training and have combined this training with the preparatory work for taking part in the dress parade of the Chengdu PLA units. Since the 12th party congress, furthermore, they have regarded the training in forming formations as a breakthrough point in creating a new situation in the regularization of the troops. Since the beginning of last October they have further launched an upsurge throughout the units of training, with the training of forming formations as the basis and starting point for regularization. After 3 and 1/2 months of regularization training, all the personnel who have taken part in the training have markedly improved their operation in forming formations. In forming march-pass formations for report purposes, the guards company has achieved a relatively high level of skill. The formation of the 31 new fighters who had been in the units for less than 2 months was not at all inferior. The formation of the antiaircraft artillery troops is in very strict order with the fighters wearing green steel helmets, holding weapons in their hands and marching forward with their chests thrown out. The formations of the female fighters of the communication troops were in very good order and looked bright and brave. They were enthusiastically praised by the people.

The strict and vigorous regularization training has promoted a great change in the mental attitude of the troops and a new situation of paying attention to appearance and bearing; discipline, morality and good manners has prevailed throughout the organizations and units of the units. Since the beginning of last year, a "No 1 school, No 1 regiment and No 1 company" have been selected as the advanced units of the whole units in managing education and a notice has been circulated by the headquarters to commend them. Eighteen units at regimental level have been selected as advanced units in the units in implementing the three orders. All the organizations at and above regimental level that are stationed in prefectures or municipalities have been selected by local people's governments as advanced or Red Flag units in building up their barracks. Throughout the military district more than 9,100 cadres and fighters have achieved merit and received awards, and more than 2,400 cadres and fighters have been selected as advanced individuals in learning from Lei Feng. Ten units, including the No 9 company of a certain unit have been selected as advanced companies of pioneers in building socialist spiritual civilization by the Air Force of Chengdu PLA units and nine comrades, including Liu Jian, head of an air squadron, have been selected as advanced exemplary individuals.

SICHUAN RIBAO ON COMMUNICATION LINES SECURITY

HK160745 Chengdu SICHUAN RIBAO in Chinese 27 Jan 83 p 1

[Report by Fan Kuide [5400 1145 1795]: "Specific Measures Have Been Formulated To Further Strengthen the Security of the Communication Lines in Sichuan"]

[Text] From 6 to 11 January, under the leadership of the provincial People's Government, seven departments, including the Department of Post and Telecommunications, the Army, the Department of Public Security, the Department of Oil, the Railway Department, the Department of the Nuclear Industry and the Office of Communication and War Preparations, combined to hold a meeting on security of communication lines in order to study and implement the "Provisions Concerning the Protection of Communication Lines" recently promulgated by the State Council and the Military Commission of the CPC Central Committee and to discuss and formulate specific measures to strengthen protection of the security of the communication lines.

Since the founding of the PRC there has been great development in Sichuan's post and telecommunication lines and the special communication lines of the army and the oil and railway departments. The communication lines spread over all the cities, townships and different parts of the province. These lines, together with the shortwave and microwave wireless communication lines, form Sichuan's communication network. At present, Sichuan can communicate with 116 countries and regions. Telephones have been installed in 99.5 percent of Sichuan's communes and over 16 percent of Sichuan's production brigades. They have provided the people with a convenient means of post and telecommunications. In addition they have made important contributions to providing guarantees for the key communication of the party, the government and the Army, to strengthening communication, transportation and energy control, to dealing with emergency cases, providing disaster relief, fighting floods and developing contact with other countries. However, Sichuan's communication construction falls far behind the development of the national economy. Communication is always in a state of tension. To ensure that the communication lines are secure is a task of imperative importance.

In order to make a good job of the security of the communication lines, the meeting demanded that all concerned departments of the province should earnestly implement the "Provisions Concerning the Protection of Communication Lines." Units with communication lines, such as Army units and post and telecommunication units, and other related departments should closely coordinate with each other in relaying to every household the spirit of the "provisions" under the leadership of the local party committees and people's governments so that everybody knows them; all communications departments should strengthen the management of safeguarding the communication lines; it is necessary to adopt methods such as dividing up the lines and assigning the responsibility for the security of each section to one party, drawing up written pledges and organizing joint public security defence in order to mobilize and rely on the militia, public security organizations and the masses along the communication lines to protect them; as for those counterrevolutionaries and criminal offenders who sabotage communication lines and jeopardize communication security, it is necessary to resolutely crack down on them, while those units, collectives and individuals who achieve notable results in protecting communication lines should be commended and encouraged.

## Commentator's Article

HK161024 Chengdu SICHUAN RIBAO in Chinese 27 Jan 83 p 1

[Commentator's article: "It Is Everybody's Duty To Protect Communication Lines"]

[Text] Communications are the state's nervous system. From the implementation of the principles and policies of the party and the state, organizing the economy and directing production, to people's sending telegrams, making telephone calls, watching television, reading newspapers and exchanging ideas, all are forms of communication. The relaying of information is mostly realized through communication lines. To protect communication lines and prevent them from being blocked is directly related to the normal functioning of various departments of national economy, and to national defense, war preparedness and the people's immediate interests.

The party and the state pay close attention to communication development. Since the founding of the PRC great efforts have been made to strengthen construction in this aspect. In addition, the 12th CPC National Congress and the 5th session of the 5th NPC have made posts and telecommunication construction the focus of economic construction in the coming 20 years. At present, Sichuan's communications are quite well developed. Different kinds of communication lines spread all over the cities and townships and extend in all directions. However, precisely because the lines are extended and because of Sichuan's complex geographic conditions, the task of preventing the communication lines from being blocked becomes more difficult. Since we cannot keep pace with the work in this aspect in a timely manner, they are frequently affected by external forces, both man made and natural. As a result, the communication lines become damaged and communication cut off. In order to make communication meet the demands of the new situation and to promote the construction of the four modernizations, it is of imperative importance to strengthen the protection of communication lines.

In order to do a good job of protecting the communication lines it is necessary to comprehensively disseminate the important significance of this work and to mobilize and rely on the masses to protect them. The entire system and network of communications lines are closely connected with trunk and branch lines. Whenever one place is blocked, the entire system is affected. In addition, communications must be timely. For example, in dealing with emergency situations and combating floods last year and in the year before last year, every minute and every second were of vital importance to the safety of people's lives and state property. Facts have fully shown that the security of the communication lines is a close concern of everyone. In addition, in protecting communication lines, all of us must do our part. The communication lines spread all over the mountainous and rural areas. When commune members cultivate their land or when workers do their work, they always come into contact with the communication lines. The masses should understand the reasons for protecting communication lines and should conscientiously protect them. In this way we can prevent the communication lines from being blocked. At present, it is necessary to emphatically disseminate the "Provisions Concerning the Protection of Communication Lines," and utilize every means to create public opinion in order to make every household and every person know it. In conducting propaganda it is necessary to closely combine education on the protection of communication lines with education on the legal system, build up the sense of honor and responsibility toward the protection of communication lines and actively and conscientiously wage struggles against activities which jeopardize the security of communication lines.

The key to making a success of the security of communication lines lies in strengthening leadership. The network of communication lines spreads extensively and over a vast area. The protection of communication lines must involve all trades and professions. It is impossible to rely on the communication departments alone. Party committees and people's governments at all levels should put this work down on their agenda, seek unity of organization, strengthen leadership, adopt feasible measures, establish sound guiding plans for protecting communication lines, combine the professional teams with the masses in protecting the lines, organize communication line protection teams and joint public security defense, fulfill the task down to every grassroot organization and adopt methods such as drawing up written pledges to organize the masses and protect communication lines. As for the counterrevolutionaries and criminal offenders who sabotage the communication lines, it is necessary to resolutely crack down on them and strictly punish them. We must make a success of the protection of communications through the efforts of all parties within a short time.

SICHUAN'S YANG RUDAI VISITS DAYI COUNTY

HK160252 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 15 Feb 83

[Summary] Sichuan Provincial CPC Committee Secretary Yang Rudai visited Dayi County during the Spring Festival to mix with the workers, peasants, intellectuals and cadres. On the second day of the Lunar New Year he visited various specialized households and praised and encouraged them. The next day, he went to the (Dafei) hydroelectric station in the mountains.

LIAONING'S GUO FENG VISITS WORKERS 12 FEB

SK140214 Shenyang Liaoning Provincial Service in Mandarin 1100 GMT 13 Feb 83

[Excerpts] On Spring Festival Eve, leading comrades of the provincial party committee and government and Shenyang City party and government leaders visited workers who are on duty during the Spring Festival period and extended greetings to them. Yesterday evening as every family spent the Spring Festival Eve amid the crackling of firecrackers, provincial and the Shenyang City leaders, including Guo Feng and Li Tao, visited the No 4 team of the Shenyang Streetcar Company, the No 1 plant of the Shenyang Gas Company and the Shenyang Glutamate Company to greet workers who remained at their work and production posts during the Spring Festival period, to bid farewell to the old year and usher in the new together with the workers and to discuss reforms with them.

Yesterday, secretaries of the provincial party committee, including Shen Yue, Zhang Zhengde, Zhang Xincun; and deputy governors, including Zhang Tiejun, Zuo Kun, Chen Beichen, Zhang Zhiyuan and Li Guixian, also visited Shenyang's plants, rural areas, shops and hospitals to greet workers, peasants, scientific research units and the financial and trading front, family members of revolutionary martyrs, self-employed households, medical personnel and public security cadres and policemen.

Dai Suli, permanent secretary of the provincial party committee; Xu Shaofu, secretary of the provincial party committee; and Tan Liren, Xie Huangtian, Peng Xiangsong and Chen Suzhi, deputy governors, also went to the Anshan Iron and Steel Company, the Liaoyuan Chemical Industrial Company, Fushun and Benxi to greet workers.

LIAONING'S GUO FENG SPEAKS AT RALLY 25 JAN

SK161207 Shenyang LIAONING RIBAO in Chinese 26 Jan 83 p 2

["Excerpts" of speech made by Comrade Guo Feng on 25 January at a rally marking the 40th anniversary of the "double-support campaign" held by Liaoning Province, Shenyang City and the PLA units stationed in Shenyang]

[Text] On the occasion of the impending arrival of the 1983 Spring Festival, Liaoning Province, Shenyang City and the PLA units stationed in Shenyang held a rally here to mark the 40th anniversary of the campaign of supporting the army and giving preferential treatment to the families of the armymen and of supporting the government and cherishing the people. This has important significance for further improving "double-support" work, strengthening relations between the army and the government and between the army and the people and promoting construction of material and spiritual civilizations. On behalf of the provincial CPC Committee, the Shenyang City CPC Committee, the provincial and Shenyang City People's Congress Standing Committees, the provincial and Shenyang City People's Governments, the provincial and Shenyang City CPPCC Committees and the people throughout the province, I extend cordial greetings to the large numbers of commanders and fighters of the PLA units stationed in Liaoning Province and the people's armed police forces and to the large numbers of the families of revolutionary martyrs and servicemen, disabled, demobilized and retired armymen, armymen transferred to civilian work and PLA cadres who are on convalescent leave or retired!

Forty years ago, in order to intensify the unity between the army and the government and between the army and the people in base areas and to defeat Japanese imperialism, the Shaanxi-Gansu-Ningxia border regional government adopted "The Decision on Supporting the Army," promulgated "The Regulations Regarding the Preferential Treatment to the Families of the Armymen Who Resist Japan in Border Areas" and issued a circular to assign the period from 25 January to 25 February as the month of supporting the army across the border areas.

Meanwhile, the rear corps of the Eighth Route Army adopted "The Decision on Supporting the Government and Cherishing the People" and conducted a month of activity among the troops of supporting the government and cherishing the people. In addition, both sides respectively formulated a pledge to "support the army" and a pledge to "support the government and cherish the people." On 1 October that year, Comrade Mao Zedong spoke highly of the "double-support" campaign and called on various CPC committees and the army and government leaders in all base areas to conduct a mass and large-scale movement of supporting the army and giving preferential treatment to the families of the armymen and of supporting the government and cherishing the people in an extensive manner and without exception. "The double-support campaign" initiated in Yanan not only has profound historic significance, but also has important practical significance.

The relations between the army and the government and between the army and the people have been very good all through the ages, except for the decade of domestic turmoil in which the relations were seriously damaged by the "gang of four." After the smashing of the "gang of four," and especially since the third plenary session of the 11th party Central Committee, the problems left over by history to PLA units stationed in various areas of our province and to various localities have been basically solved, the fine relations between the army and the government and between the army and the people have been restored and new progress has been made in this regard.

After the smashing of the "gang of four," and particularly since the third plenary session of the 11th party Central Committee, large numbers of commanders and fighters of PLA units stationed in our province have greatly supported local provincial work in the following 10 areas: 1) They have vigorously supported industrial and agricultural production by providing 5.3 million workdays, dispatching 82,000 motor cars and pieces of machinery and helping repair 79,000 pieces of farm machinery and tools. 2) More than 100,000 people have participated in the activities of sending relief to disaster areas, over 7,800 of the masses in distress have been rescued and some 470,000 tons of goods and materials have been transported on a rush basis. 3) They have supported localities in building various public welfare services. In 1982 alone, some 1,100 public welfare services were built and 306,000 people were provided for construction. 4) They have planted 20 million trees. 5) Together with localities, they have built over 450 villages, towns and schools where civility reigns. 6) They have cured the sicknesses of some 2.1 million people. 7) They have helped localities in training some 12,500 technicians. 8) They have dispatched some 5,500 after-school activities counsellors. 9) They have helped localities in organizing training for some 950,000 militiamen. 10) They have conducted the activity of learning from Lei Feng and creating new practices. The masses have said with thanks: "In peacetime, our army has been concerned with the well-being of the masses and at critical moments they have served the people in disregard of their own safety. They really maintain flesh-and-blood ties with the masses of the people."

Recently, the party Central Committee put forward the demand of establishing and developing a new style of relations embodying the socialist spiritual civilization between the army and the government and between the army and the people so as to create a new situation in the unity between the army and the government and between the army and the people. This has pointed the direction for us to strengthen the unity between the army and the government and between the army and the people and has set new and still higher demands on us. We should carry forward the glorious tradition of the "double-support campaign" and raise to a new level ideological education in strengthening unity between the army and the government and between the army and the people.

In line with the documents of the 12th party congress and with the instructions of the party Central Committee concerning the "double-support" work, the party and government leading organizations, trade unions, CYL committees, women's federations and militia organizations at all levels should extensively and penetratingly conduct the education of warmly loving the party, the motherland and the PLA and conduct education on the glorious tradition of the "double-support campaign" and on relevant policies and discipline among the masses of the people and, in particular, among youngsters so as to further improve the work of supporting the army and giving preferential treatment to the families of army men under the new situation and further strengthen the unity between the army and the government and between the army and the people. Through marking the 40th anniversary of the "double-support campaign," we should propagate our army's glorious history, propagate the contributions and heroic deeds of the PLA units stationed in our province in supporting local construction, in rushing to deal with emergencies and to send relief to disaster areas and in building spiritual civilization, and popularize and study the advanced deeds of Zhao Chenni, a model patriot as well as model of supporting the army. It is necessary to penetratingly conduct education on being prepared for danger in peacetime among cadres and the masses, strengthen their sense of national defense and preparedness against war and their sense of supporting the army and giving preferential treatment to the families of armymen, and step up their consciousness of "double-support" work.

We should carry forward the glorious tradition of the "double-support campaign," learn from the PLA with an open mind and push to a new stage the work of the army and civilians jointly building the "two civilizations." In wartime, innumerable heroic figures of the PLA have emerged, and the PLA has set good examples for large numbers of local cadres and the masses in every historical period. People's governments at all levels and the masses of the people should conscientiously learn from the PLA in jointly building the "two civilizations" and strive to set examples of the concerted efforts of the army and civilians in building villages (towns) where civility reigns in all towns and villages where the PLA is stationed.

We should carry forward the glorious tradition of the "double-support campaign" and solve, in a down-to-earth manner, new problems cropping up in the new stage in the relations between the army and the government and between the army and the people. Not only should we solve all problems left over by history, but we should also solve new problems cropping up in the new stage. These problems should be solved as soon as possible in line with the relevant regulations of the party Central Committee and the State Council and by adhering to the principle of mutual understanding and accommodation, giving equal consideration to the army and civilians, and being conducive to unity between the army and the people.

Various measures should be adopted to improve the work of giving employment and school enrollment to accompanying family members of armymen, to actively support the army in running collective enterprises and establishments and helping run vocational schools. When localities employ workers and staff, priority should be given to the family members of the armymen stationed in frontier defense areas, coastal defense areas and in places far from the urban areas. It is necessary to enthusiastically attend to the settlement and educational work of PLA cadres on convalescent leave, retired PLA cadres and cadres transferred to civilian work. The construction of housing for retired cadres and for cadres on convalescent leave should be accelerated and the housing problems of cadres transferred to civilian work should be solved by every possible means. Labor and personnel departments at all levels should make arrangements in a timely manner for the accompanying family members of retired cadres, cadres on convalescent leave and cadres transferred to civilian work.

It is necessary to support the troops to protect military installations and maintain order in the barracks. It is also necessary to implement the policy of giving special care to disabled servicemen and to family members of revolutionary martyrs and servicemen, bring the work of giving preferential treatment into line with plans for improving the responsibility system, make proper arrangements for the production and livelihood of the families of revolutionary martyrs and servicemen, and demobilized and retired soldiers, and resolutely attend to the work of giving special care to the families of the compulsory servicemen so as to solve the troubles back home of the rank-and-file soldiers on active service.

We should carry forward the glorious tradition of the "double-support campaign," strengthen leadership and strive to create a new situation in the work of supporting the army and giving preferential treatment to the families of the armymen. Local CPC committees and people's governments at all levels should regard the work of supporting the army and giving preferential treatment to the families of the armymen as an important issue and put it on their daily agenda. Leading groups for the "double-support" work should be generally established and the system of holding joint conferences at regular intervals should be instituted to inspect at regular intervals the work of supporting the army and giving preferential treatment to the families of the armymen. Attention should be paid to giving play to the role of trade unions, CYL committees, women's federations and militia organizations in the work of supporting the army and giving preferential treatment to the families of armymen. At present, we should conduct Spring Festival activities of supporting the army and giving preferential treatment to the families of armymen in an extensive and penetrating manner, conscientiously solve practical problems and resolutely oppose extravagance, waste and formalism.

The old year passed with the song of triumph and the new spring arrives with important tasks. Let our army, government and people be more closely united, make efforts to create a new situation in the work of supporting the army and giving preferential treatment to the families of armymen and make new contributions to creating new situations in all fields of socialist construction under the leadership of the party Central Committee and in line with the path laid down by the 12th party congress.

#### LI DESHENG VISITS GRASSROOTS UNITS IN LIAONING

SK170104 Shenyang Liaoning Provincial Service in Mandarin 1100 GMT 16 Feb 83

[Excerpt] The broad masses of commanders and fighters of the PLA units stationed in Liaoning have launched a campaign on contributing to the spiritual civilization along with the local people in order to strengthen unity between the army and government and between the armymen and civilians and to promote the building of the PLA units.

Recently, Li Desheng, commander of the Shenyang PLA units, held talks with leading comrades of relevant departments and personally visited grassroots PLA units and neighborhoods in the localities and encouraged the servicemen and civilians to regard the campaign on contributing to the spiritual civilizations as an emphasis of the double-support work in the days to come and to grasp the work firmly and well.

Encouraged by the first all-people civility and courtesy month campaign held last year, some PLA units stationed in Shenyang and Jinzhou launched a campaign on contributing to the spiritual civilizations along with the local people. Since then, this campaign has been rapidly carried out in various localities throughout the province. With the help of the vehicle technical worker training team under the Logistics Department of the Shenyang PLA units, Jiefang Street of Sujiatun district in Shenyang City has scored marked achievements in social order, environmental sanitation, family planning, and youth education. It has been appraised as an advanced urban district and commended by the leading comrades of the provincial CPC Committee and government and the Shenyang PLA units.

**END OF**

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